Daily Report

Latin America

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FBIS-LAT-90-210 *30 October 1990*

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Honduran Foreign Minister Opens Area Meeting

PA2910200590 Tegucigalpa Radio America in Spanish 1536 GMT 29 Oct 90

[Speech by Honduran Foreign Minister Mario Carias Zapata at the opening of the Central American foreign ministers meeting at the Central Bank Club in Tegucigalpa—live]

[Text] Foreign ministers of El Salvador, Nicaragua, Guatemala, and Costa Rica, special guests: I am highly honored to welcome you to Tegucigalpa for this meeting of the Executive Commission for Esquipulas Procedures. I remind you that the executive commission is the main organization of the Central American presidential meetings that is now resuming activities in order to implement the topics that were discussed in the presidential agendas and to coordinate the activities of the various technical ministries, particularly in the economic field.

The agenda we are going to discuss will be very tight, as the meeting will last two days. It will also be very intense, inasmuch as we will discuss topics of particular importance in light of the present circumstances of the Central American situation and its relationship to the international situation.

We will examine topics dealing with political issues, aspects of security and economic cooperation among the countries of the region and within the region, third states, and international organizations.

Our task is to strengthen the peace procedures established by the presidents and to implement initiatives that were recently adopted in the social and economic fields when the Antigua presidential Declaration was signed last June. During that meeting, the Central American rulers adopted a very clear stand on a better future for the Central American peoples.

Through the economic program for Central America, they designed a series of mechanisms and instruments to reach, in the short and medium term, new forms of regional integration with which the citizens of the various Central American countries will feel more involved in the events of not only their neighboring countries, but in the entire region. The Central American nations should act united in a geographic, economic, and cultural unit in the face of the great problems of the contemporary world.

As far as the political issues are concerned, undoubtedly today's Central America is different from the Central America that we were analyzing a few years ago. Tensions between the states have decreased tremendously, and we believe we can insist, and through joint action, we can solve the pending problems in the conflicts between the states and solve the internal confrontations that have unfortunately torn the sister Republic of El Salvador.

We strongly support El Salvador in the current process of negotiations that the government of President Cristiani is conducting with the representatives of the Farabundo Marti National Liberation Front under the auspices of the UN secretary general. I believe all of us here will be supporting and trying to design forms that will help these negotiations.

It is also important to recall that Central America has been strongly affected in the economic field by the current petroleum crisis. It is very important that once we have developed an awareness of Central American unity, we must then move on so that in 1991 we will be able to make plans that will allow the Central Americans to react to very specific problems, such as better marketing of grains, and an improvement in what should be the commercial and financial trends of the area.

In addition, Central America should have greater participation in the economic relations of the hemisphere, where the initiative of U.S. President Bush should have greater impact in 1991, particularly based on the answer of the Central American peoples. Central America should also ensure social development so that the difficulties of the current crisis will also have beneficial consequences for the citizens of our Central American nations.

We have designed an agenda that will allow us to examine all of these issues, and more than anything else this inaugural session is for the purpose of thinking about all this. Therefore, we will now move on to our work sessions.

Foreign Ministers of Central America and distinguished delegations: Welcome once again. We thank you all for your attendance and interest. [applause]

Cuba

Castro Meets 'High-Level' Dominican Delegation

FL3010031190 Havana Television Service in Spanish 0100 GMT 30 Oct 90

[Excerpt] At the conclusion of this newscast we received the report that Commander in Chief Fidel Castro, first secretary of the Central Committee of the Communist Party of Cuba and president of the Councils of State and Ministers, has received a high-level delegation from the Dominican Republic visiting our country on the occasion of the transfer of the remains of the illustrious Dominican, Francisco Henriquez y Carvajal. During the meeting, Fidel spoke with the family members of Henriquez y Carvajal. [passage omitted]

UN Ambassador Criticizes U.S. Stance on Iraq

FL3010015590 Havana Television Service in Spanish 0100 GMT 30 Oct 90

[Text] Now, dear friends, we will read a note we received just as we were about to finish the general writing of this newscast. The note says:

Cuba today accused the United States of cosponsoring a militarist draft resolution against Iraq that contains elements under which that permanent member of the Security Council—the United States—could also be put on trial.

As we reported previously, the Security Council today approved another resolution against Iraq with 13 votes in favor, and Cuba and Yemen abstaining.

In explaining his country's abstention in the vote, Cuban Ambassador Ricardo Alarcon accused the United States of openly discussing how to attack Iraq, conducting such an action without consulting its own U.S. Congress, and manipulating the Security Council to back the measure. Alarcon asked if the increase of U.S. troops in the Gulf is related, in some way, to the decisions made by the Security Council, which, on the contrary, should be striving for international peace and security and seeking a solution to the conflict through peaceful measures. This resolution in its entirety, he said, is another step toward war.

Foreign Ministry Denies Contacts With Emigres

FL3010140090 Havana Tele Rebelde Network in Spanish 1110 GMT 30 Oct 90

[Text] Today, Cuba described as false and ridiculous reports in certain press media about talks with representatives of counterrevolutionary organizations based in the United States.

A Foreign Ministry spokesman told the foreign press accredited in Havana City that reports to this effect contained in news dispatches from news agencies and other news media, particularly from Miami, are neither objective nor realistic.

He said that at present no negotiation, talks, or direct or indirect contacts are underway with representatives of organizations he described as counterrevolutionary.

The reports that have been denied claimed that Cuban Vice President Carlos Rafael Rodriguez had engaged in alleged negotiations with certain groups of Cuban emigres in the United States.

Shenin Heads CPSU Delegation to Havana

Arrival Statement Noted

FL2910131890 Havana Tele Rebelde Network in Spanish 1200 GMT 29 Oct 90

[Text] Oleg Semenovich Shenin, member of the CPSU Politburo and Secretariat, has arrived in Cuba at the head of a CPSU delegation. He was welcomed at Jose Marti International Airport by Jose Ramon Machado Ventura, member of the Politburo of the Communist Party of Cuba [PCC], and Carlos Aldana, member of the PCC Secretariat.

[Begin recording, in progress] [Shenin, in Russian with superimposed Spanish translation]...have invited the leaders of the PCC [as heard] Central Committee, for us to explain what we have been doing in the wake of the 28th CPSU Congress and the October plenary meeting. There is interest in learning about problems related to the economic report. We are also very interested in the situation here, in internal party affairs, and I imagine that there will be a mutually useful and interesting conversation.

[Recorder] You will give a lecture on Tuesday. What will be the topic? What subjects will be discussed?

[Shenin] In general, I will talk about the 28th CPSU Congress and the November [as heard] plenary meeting of the CPSU Central Committee. [end recording]

Shenin's program of activities will also include meetings with PCC party leaders as well as visits to labor unions and the Jose Marti Pioneers City, where Soviet children injured in the Chernobyl accident are being treated.

Meets With Carlos Aldana Escalante

FL3010035390 Havana Radio Reloj Network in Spanish 0304 GMT 30 Oct 90

[Text] Carlos Aldana Escalante, secretary of the Central Committee of the Communist Party of Cuba [PCC], has met in Havana with the delegation presided over by Oleg Semenovich Shenin, member of the CPSU Politburo and Secretariat. Semenovich and his delegation arrived in Cuba yesterday at the invitation of the PCC Central Committee to examining issues pertaining to party work in both countries.

In addition to Aldana, Raul Castellanos, alternate member of the PCC Central Committee, and Victor Manuel Gonzalez and Alcibiades Hidalgo, both PCC Central Committee officials, also participated in the meeting, which was held in a cordial and friendly atmosphere,

The CPSU delegation met this morning with PCC Politburo member Jose Ramon Machado Ventura, at which time they stressed the importance of exchanges between the two parties and cooperation between the two nations.

Conveys Gorbachev Greetings

FL2910215890 Havana Tele Rebelde Network in Spanish 1800 GMT 29 Oct 90

[Text] At Central Committee headquarters, Jose Ramon Machado Ventura, member of the Politburo of the Communist Party of Cuba [PCC], has received Oleg Shenin, who heads a CPSU delegation. Upon welcoming him, Machado Ventura expressed his satisfaction with this meeting, which will allow the exchange of ideas between the two party organizations. He added that the frequency of these contacts was very useful.

Shenin, member of the CPSU Politburo and Secretariat, conveyed warm greetings to Cuba from Mikhail Gorbachev and Nikolay Ryzhkov, head of the Soviet Government.

The Soviet delegation, invited by the PCC Central Committee, will fulfill its agenda through 31 October that includes other meetings with members of the PCC directorate.

* Havana Details Soviet Oil Deliveries

91CA0002A Havana GRANMA in Spanish 12 Sep 90 p 6

["The Truth Concerning Fuel Deliveries," by Felix Pita Astudillo; for related reporting on this issue see FBIS Latin America Daily Report of 13 September 1990, page 1]

[Text] In order to write about an issue, in order to give an objective account of it, one must first know something about it...

I agree with Yuri Petrov.

The ambassador of the USSR in Cuba said this in a recent interview in referring to an article in the newspaper KOMSOMOLSKAYA PRAVDA that had described in pejorative terms the care that had been given in Tarara to the children of Chernobyl.

The issue has again made the news thanks to separate articles by the Havana correspondents of KOMSOMOLSKAYA PRAVDA and IZVESTIYA, A. Novikov and A. Kamorin, who wrote about the special measures that the Cuban Government has announced in view of the difficulties with fuel deliveries from the Soviet Union.

The Cuban article says that almost two million tons of petroleum and derivatives have not been delivered so far this year. It also makes very clear mention "of the efforts that the Soviet Government has been making to avoid these interruptions," while at the same time underscoring the exceptional efforts by Cuba to keep up its exports.

Ambassador Petrov's remarks to GRANMA (7 September 1990) were of the same tenor and reflected a similar political determination. The articles by newsmen Novikov and Kamorin approach the problem differently, however. Different figures from those cited by the Cuban Government, tricks with comparative statistics, and hints of shady dealing with reexports of Soviet fuel by Cuba cast doubt on the accuracy of official Cuban reporting.

This forces us to turn to the figures. Let's take them one by one.

In his article "Where Are We To Look for the Causes?" (IZVESTIYA, 31 August 1990), Kamorin questions the Cuban figure on delivery shortfalls, saying that rather than two million tons, the delays in Soviet deliveries "total about 580,000 tons." Kamorin adds with a hint of irony: "From the looks of things, we have different systems of calculation."

I cannot imagine what system Kamorin uses, but I do not think that in his case differences between an abacus and a modern calculator are involved.

The official Cuban estimate, as we were able to ascertain from sources in the Foreign Trade Ministry, is based on an almost proportional distribution by quarter, as has been the traditional practice under the contracts that the parties have signed.

Let us take, for example, the case of crude oil shipments that the USSR and Cuba agreed upon in 1989. During the first quarter, deliveries would be 25 percent of the agreed upon amount; in the second quarter, 24.7 percent; in the third, 25 percent, and in the fourth and last quarter, 25.3 percent.

In other words, the estimated apportioning of the 1990 deliveries is not capricious; it represents the custom in Cuban-Soviet bilateral trade. For 1990, however, the Soviets refused to agree to precise amounts for the quarterly distributions.

Since there is no other formula, Cuba calculated the delays in 1990 deliveries on the basis of percentages similar to the ones for the previous year.

According to these calculations, the delays as of 31 August 1990 are as follows, in metric tons:

Deliveries of Petroleum Products

Category	Received	Should Have Received	Shortfall
Crude oil	5,294,000	6,473,000	1,179,000
Fuel oil	1,112,000	1,692,000	580,000
Gas oil	689,000	600,000	(89,000)
Other	108,000	121,000	13,000
Total	7,203,000	8,886,000	1,683,000

Thus, the shortfall as of the last day of August was 1,683,000 metric tons. But if we add in the deliveries that the Soviets had already announced for September, the totals would be:

Updated Table

Category	Shortfall
Crude oil	1,377,000
Fuel oil	542,000
Gas oil	(39,000)
Other	14,000

This gives a grand total shortfall of 1,894,000 metric tons, that is to say, very close to two million metric tons and far more than the 1,683,000 at the end of August.

The calculation method of the IZVESTIYA correspondent also failed to take into account another fact that worsened an already critical situation. In late 1989 the Soviets failed to deliver 247,000 metric tons of petroleum and derivatives, for which reason inventories were low as 1990 began.

Moreover, the IZVESTIYA representative suggests that "the supply shortfall is nothing new in our trade," illustrating this claim with examples: "As of this date the Cubans owe us 332,000 tons of sugar and 1,500 tons of nickel."

As for the sugar, as Kamorin states, the shortfall totals exactly 329,000 tons. But what the correspondent fails to mention is that the bulk of the Cuban deliveries has already been shipped, in keeping with the tradition of Cuban suppliers to deliver the largest volumes during the first half of the year.

As of 31 August Cuba had shipped to the USSR 82.3 percent of its sugar commitment (3,621,000 out of a total of 4,400,000 metric tons for 1990). And it has done so, by the way, even though owing to circumstances beyond Cuba's control the total amount of sugar was not agreed upon until March 1990, well into the year.

As for the delays in nickel shipments, around 1,500 tons, I presume that Kamorin is not unaware that this situation is due mainly to the technological difficulties at the "Ernesto Che Guevara" nickel plant. Production problems there have not only affected deliveries to the USSR but have also had an adverse effect on our country's economy because of low mineral recovery and high energy consumption. The performance of these two important indices is far removed from what was planned for this investment.

As if this were not enough, reporter Kamorin resorts in his article to trumped up arithmetic in dropping the following nasty hint. He says, and I quote:

"During the eight months of this year the USSR has supplied Cuba with 100,000 more tons of oil derivatives than during the same period last year....There is a big question mark here, because it turns out that as of 1 September last year Cuba had available less Soviet oil than now, yet the economy continued to move along without there being any talk of any special period."

Once again Kamorin has gotten his numbers mixed up.

His comparison is contrived (5.2 million metric tons of crude in 1989 as against 5.3 million in 1990). In 1989 Cuba actually received 5,593,000 metric tons, which was less than under the year's trade agreement, and 415,000 metric tons of this amount were earmarked for reexport from the USSR itself to amortize a debt in convertible currency to the Soviet Union. There were actually 5,178,000 metric tons left for domestic consumption.

Moreover, although 5,294,000 metric tons have been received this year, a large amount of this crude oil has had to be exchanged for derivatives, owing to the sharp declines in deliveries of derivatives, if we compare both 1989 deliveries and what was supposed to arrive in 1990.

It is clear that Kamorin's 100,000 tons are nothing more than a ruse to disinform his readers.

But the IZVESTIYA correspondent goes even farther. He suggests that "either the petroleum that we supplied was resold for foreign exchange to third countries or else the Cuban Government decided to create raw-materials reserves on the eve of harder times."

I get the impression that in making this "guess" Kamorin forgot about roots and contexts. The deep relations of friendship with the Soviet party, government, and people rule out such sinister intrigue.

The IZVESTIYA correspondent cannot be unaware that his presumption implies that Cuba is behaving disloyally and deceitfully. Kamorin must know, as we Cuban journalists know, that under the agreement between Cuba and the USSR all purchase or sale transactions have always been made with the knowledge and approval of the Soviet export enterprise and in accordance with the governmental accords authorizing such transactions. Therefore, the inference that 100,000 tons were allegedly resold to third countries behind the USSR's back is as false as it is improper.

As for the creation of reserves (the other slanderous suggestion), if this were the case (which unfortunately it is not), it would be our country's absolutely legitimate prerogative to do so. But if we had done so, we would never have attributed the fuel shortage to another factor.

The other Soviet newsman, A. Novikov, wrote on article entitled "Turn out the Lights" in his newspaper KOMSOMOLSKAYA PRAVDA. One would say that he must have used the same notes as his comrade Kamorin; only, the IZVESTIYA reporter beat him to it and got his article published 24 hours earlier.

Novikov also speaks of the phantom 100,000 tons, the "presumptions" of secret reexports by Cuba, and the creation of reserves behind the Soviet Union's back.

The KOMSOMOLSKAYA PRAVDA envoy is original only in his malicious claim that Cuba made an unjustifiable fuss in January of this year over what he calls "an insignificant delay in the supply of grains." According to him, this prompted "Cuban leaders to exaggerate greatly and report that an extraordinary situation had been created in the country."

Provisional measures were taken, he says, and even though the grain later arrived in Havana, the measures are still in place.

The difficulties that the USSR is having in supplying us with different commodities are public knowledge. The official Cuban account acknowledges them in its first paragraph, and Ambassador Yuri Petrov confirms them at several points in his interview with GRANMA.

Novikov, however, ignores these facts, which have forced a country like Cuba to keep its inventories full in the face of uncertain future shipments. There are other shortfalls in raw materials, chemicals, powdered milk, butter, and other items, some of them even under contracts for 1989.

In the case of grains, we must acknowledge that the Soviet Union quickly made good on its deliveries after January, and the amounts of these deliveries are now up to date. This is an effort that Cuba greatly appreciates. But these shipments have not been steady through 1990, thus creating a very tight situation if these vital goods do not arrive in port on time. Suffice it to say that grain contacts with the USSR are still pending for the last quarter of 1990 (October-December).

These uncertainties in deliveries more than justify keeping the January measures in effect to create a minimum reserve with which to cope with any contingency. If we could only establish similar reserves for other raw materials, oil included.

Another clarification is in order in this regard:

We Cubans are not ingrates. We are able to acknowledge and express gratitude for a helping hand. We have always done so. But we must not forget either that Cuba has earned such a show of solidarity through the battle that it has fought for more than 30 years under extremely difficult circumstances.

Hence, the articles in IZVESTIYA and KOMSOMOLSKAYA PRAVDA are both offensive and unacceptable to the Cuban people.

The facts are there to see. Only someone who deliberately ignores them can fail to take them into account. If, for example, the suppliers are running 47 percent short in fuel oil, 39 percent short in crude, and 21 percent short in gas oil under the contract for the last quarter of 1990, then we can safely predict that the shortfalls will be appreciable, because such volumes are too large to be shipped out in such a short time.

Under no circumstances, however, can we accept a conjuring act with numbers in which Cuba is also accused of lying and behaving like a crook.

We realize the Soviet leadership's sincere desire to seek a solution to these problems, just as Moscow is aware of Cuba's endeavor to meet its commitments to the Soviet Union. And although one swallow does not a summer make, the correspondents of IZVESTIYA and KOMSOMOLSKAYA PRAVDA have no right to poison an atmosphere of relations between Cuba and the USSR that has been developed over 30 years.

At least they have no right to do so without receiving an appropriate response.

CTC, Provincial PCC Personnel Changes Made

FL2910162190 Havana Radio Reloj Network in Spanish 1520 GMT 29 Oct 90

[Text] The National Committee of the National Chemical, Mining, and Energy Industry Workers Trade Union [SNTIQE] has agreed to release Ramon Cardona Nuevo [as heard] from his duties as the union's secretary general. Cardona will become a professional member of the Secretariat of the CTC [Cuban Workers Federation].

Cardona will fill the vacancy left by Rafael Collazo who, at the request of the leadership of the Communist Party of Cuba [PCC] has become a member of the PCC Executive Bureau in Havana Province.

The SNTIQE emphasized that Cardona has had over 20 years of experience in union affairs, 18 of them at the head of that sector's workers.

In addition, the plenary meeting of the union, which took place at the (Antonio Quinteros) thermoelectrical plant in Matanzas, agreed to promote Manuel Menendez to secretary general of the union. Menendez was formerly second secretary.

Ugandan Commerce Minister Arrives for Trade Fair

FL2910222990 Havana Tele Rebelde Network in Spanish 1800 GMT 29 Oct 90

[Text] Uganda is participating for the first time in the Havana Fair. On the occasion of this trade event, Ugandan Commerce Minister Paul Etiang is visiting our country.

The commerce minister is presiding over a delegation that includes the Ugandan Chamber of Commerce and managers of different firms. Cuban Foreign Trade Minister Ricardo Cabrisas received the delegation at the Jose Marti airport.

It is expected that during Mr. Etiang's stay in Havana, his delegation will discuss next year's trade protocol with Cuba.

Inter-Caribbean Affairs

Grenada's NDC Declared SCOPE Member

FL2910213590 Bridgetown CANA in English 1640 GMT 29 Oct 90

[Text] Kingstown, St. Vincent, Oct 29, CANA—As Eastern Caribbean political parties work towards forging alliances in preparation for possible regional elections in a political union, the affiliation of Grenada's ruling National Democratic Congress (NDC) has become a subject of debate.

The largely opposition Standing Conference of Popular Democratic parties of the Eastern Caribbean (SCOPE) declared the NDC to be a member when it held a public meeting here last Friday. Several speakers at the meeting said it was the only ruling party in the Windward Islands which was serious about the current moves towards a political union of the four islands.

An official of SCOPE told CANA the NDC was one of the parties which helped to establish SCOPE in 1987 to coordinate an opposition response to the "Tortola Initiative" on unity adopted by heads of government of the Organisation of Eastern Caribbean states (OECS).

The NDC, which subsequently assumed the reigns of government, was represented on a delegation of Windward Islands government representatives which met here last week with the coordinating committee of SCOPE. The NDC presence was hailed by the ruling New Democratic Party (NDP) here as an indication that it was no longer part of the opposition grouping.

"The government of Grenada will now be represented on P.M. Mitchell's delegation, although the main governing party there, the National Democratic Congress, used to be a member of SCOPE," the NDP said in its mouthpiece, the NEW TIMES.

The paper said, "the small Maurice Bishop Patriotic Movement is now the only SCOPE member from Grenada."

Antigua and Barbuda Requests Review of CET

FL2910192590 Bridgetown CANA in English 1733 GMT 28 Oct 90

[Report by Rickey Singh]

[Text] Bridgetown, Barbados, Oct 28, CANA—With just over two months to go before its scheduled implementation, trouble is again brewing for the Caribbean Community's [Caricom's] long-promised Common External Tariff (CET).

What has triggered the alert of a probable postponement of the January 1, 1991 target date for implementing the CET is a request last week from the Antigua and Barbuda Government, well placed sources told CANA. The St. John's-based economic affairs secretariat of the Organisation of Eastern Caribbean States (OECS) was requested by Antigua to arrange a special meeting of OECS technicians to reconsider the implications of implementing the CET in January in the light of the "formidable Gulf crisis," the sources said.

The January target date for a unified tax structure against third country imports was one of the major decisions of the 11th Caricom summit in Jamaica in July. The Antiguan request was contained in a letter sent by Trade and Industry Minister Hugh Marshall. Currently chairman of the Caricom council of ministers, Marshall was one of the more vocal opponents of provisions within the revised CET at the llth Caricom summit.

Eventually, Antigua and Barbuda joined the consensus for implementing the CET and commodity rules of origin by next January in keeping with the spirit of the 1988 Grenada Summit Declaration to transform Caricom into a single market and economy by 1993.

Now, however, Antigua wants the seven OECS countries to re-examine the CET so that the issue could be addressed within the context of the implications for the Caribbean of the Gulf crisis, by the forthcoming informal one-day meeting of Caricom heads of government in Jamaica.

Contacted by CANA, Marshall gave the assurance that his government "is not reneging on the commitment it made at the Kingston summit on the CET." "It is, he added, "just that we are so conscious of the grave implications for us and other OECS members of the crisis in the Persian Gulf that Antigua and Barbuda is now seeking a review of what's involved."

In his letter to the OECS economic affairs secretariat, Marshall said it was always his reservation that the CET "will have serious effects on the upward movement of price levels in the OECS economies, thus contributing to inflationary trends that may contribute to the erosion of the quality of life and standards of living gained over the last decade...."

The flamboyant Antiguan minister, often at the centre of controversies over Caricom trade issues, said it was essential that the rest of Caricom be prepared to give "an objective assessment" of the revised CET, as agreed to at the Jamaica summit, since the Gulf crisis "has significantly aggravated the increase in prices of petroleum-based products." Consequently, he said, this had contributed to the "spiral rise in prices of petroleum-dependent industrial goods and services...."

Antigua hopes that the special meeting of the OECS technical experts would come up with some guidelines on the CET for the forthcoming November meeting of the OECS authority, which comprises the subregion's heads of government. The intention is that from this OECS summit, new considerations could be taken to the informal one-day Caricom summit by December 14 to ascertain whether a case does not exist for a further implementation of the common tariff structure.

The CET, a source of much controversy over the past five years at meetings of the Caricom council of ministers and heads of government, is one of the important tripods in the march towards the creation of a single market and economy, the others being the commodity rules of origin and the harmonisation of fiscal incentives.

A World Bank study on Caricom's trade policies and regional integration in the 1990's, was critical of the four different tariff schedules governing the trade of its 13 members with the rest of the world. That study had noted that tariff rates were "less pervasive and much lower" within the OECS subregion as compared with the other member states of the community.

But a document prepared by the Caricom secretariat on the purpose, scope, and mode of application of the revised common tariff structure against Third Country imports by the community as a whole, has underscored the value to the economic integration process in the implementation of the CET. A primary objective of the external tariff is to protect regional goods.

Barbados Trade Unionist Urges Caribbean Unity

FL2910193090 Bridgetown CANA in English 2021 GMT 28 Oct 90

[Text] Bridgetown, Barbados, Oct 28, CANA—The head of Barbados' largest trade union on Sunday cited a need for closer collaboration among Caribbean countries in response to the current restructuring of the world community.

Sir Frank Walcott, general secretary of the Barbados Workers Union (BWU), said the small states of the Caribbean "must begin to see the wisdom of regional cooperation and collaboration if our existence is to mean anything to our people: present and future.

"It is crystal clear that the future of the people of the Caribbean lies in closer collaboration," wrote Sir Frank in the union's paid weekly column in the Sunday ADVOCATE. "We must therefore begin to carve pathways for the building of this closer unity for our people to take their place among the nations of the world," he added.

Sir Frank said the trade union movement firmly believed Caribbean governments "should endeavour to unify our brothers and sisters with a view to narrowing the gap of disunity which exists without any basic reason for being so." The challenge, said Sir Frank, was to see Caribbean countries "become havens of peace for those who have a contribution to make to their fellowmen."

ILO Leader Notes Threats to Labor Unions

FL2910210090 Bridgetown CANA in English 1559 GMT 29 Oct 90

[Text] Basseterre, St. Kitts, 0855, Oct 29, CANA—Trade unions in the Caribbean are threatened by employers who try to break them, and governments which fail to upgrade critical labour legislation, a regional representative of the International Labour Organisation [ILO] has said.

The ILO Caribbean regional adviser on workers' activities, George de Peana was addressing the 51st annual conference of the St. Kitts-Nevis Trade and Labour Union (SKNTLU) in Basseterre on Sunday. He charged that obstacles are being put in the path of unions, "apart from the fact that the prevailing economic circumstances make it difficult for collective bargaining to produce the results which workers are looking for."

He said some of the obstacles to unionism were being erected by some "unscrupulous employers" who were seeking to break and ultimately destroy unions so they might be able to "carry on their business of exploiting workers, and taking advantage of the high levels of unemployment".

De Peana stated that other obstacles were being erected by some governments who, "for some reason or another, fail to upgrade labour legislation in critical areas such as providing clear and unmistakable procedures for the recognition of trade unions as bargaining agents." There is also not enough attention to areas such as public sector bargaining, occupational safety and health, job security, severance pay, equality at the workplace and paid educational leave, the ILO official stated.

"In cases where these governments are members of ILO, there is lack of attention to the ratification of conventions of the organisation," De Peana added, saying these situations in many ways are even more challenging than those which the trade unionist of the 1930's faced. He said that unemployment, which he described as the region's number one problem, was daily becoming greater. De Peana said that since the region-wide labour upheavals of the 1930's, workers and their unions throughout the Caribbean had made great strides.

"But the question now is what of the future? There are serious challenges. Trade unions today are not faced with the same problems as those of the 1930's," the ILO adviser said. "They are now legal, so their leaders are no longer imprisoned; they do not have to deal with the colonial masters; they are, with one or two exceptions, operating in independent states, but strangely enough in many ways the existence of trade unions today are threatened," De Peana said.

SKNTLU president, Lee Moore, called for a Caribbean Community (Caricom) charter to protect the rights of Caribbean workers. Moore, a former St. Kitts-Nevis premier, referred to a similar charter which has already been prepared to regulate employer-employee relations in the European community, and said the Caricom version should be no less favourable than that to guarantee the rights of Caribbean workers. He suggested the charter was needed to cushion workers against the possible negative impact on the region of the creation of a single European market after 1992.

Moore noted that membership in his union was increasing and called on workers to "return to the old method (of) each one reach one and each one teach one".

Bermuda

Premier John Swan Appoints 2 Women to Senate

FL2910173090 Bridgetown CANA in English 1613 GMT 28 Oct 90

[Text] Hamilton, Bermuda, Oct 28, CANA—Premier Sir John Swan has appointed two women to fill empty seats in the Bermuda Senate, saying the move represented an attempt to deepen the involvement of women and young people in the decision-making process.

Cindy Trim and Pamela Gordon will take the places of Lynda Milligan-Whyte and Charles Marshall, who stepped down recently from the 11-member Upper House.

"Cindy Trim and Pamela Gordon are two able young ladies with a lot to offer their country," said Sir John, following the swearing-in ceremony at Government House on Friday. "Appointing them senators is part of our continuing efforts to look at issues that affect women and young people in Bermuda. I'm very pleased to bring them to greater involvement."

Both women are in their early 30's, and are actively involved in the ruling United Bermuda Party [UBP]. Gordon, a former UBP parliamentary candidate, is a daughter of the late Dr. Edgar F. Gordon, a West Indian-born labour leader in the island. As chairman of the Youth Advisory Council and a member of the Tourism Board, her senatorial appointment came as no surprise.

Trimm's appointment, however, caught political observers completely by surprise. A school guidance counsellor, she last year received Bermuda's Outstanding Young Person of the Year Award.

Dominican Republic

Balaguer Orders Dollars, Gas for Agriculture

FL2910170690 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 29 Oct 90

[Text] President Joaquin Balaguer has instructed the Central Bank to make available the necessary dollars for the import of agricultural supplies. This information was revealed by the administrator of the Agricultural Bank, Agronomist Pedro Betrun, who informed that President Balaguer had designated the supply of dollars to the agricultural sector as a national priority.

At the same time, the chief of state ordered the president of the Dominican Oil Refinery to give priority to the agricultural sector in the distribution and delivery of gasoline to avoid agricultural losses for lack of gas.

Minister Reiterates Currency Exchange Obligation

FL2910174090 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 26 Oct 90

[Text] The grace period on the obligation to exchange foreign currencies with the Central Bank extended by the government, to those individuals and businesses that generate dollars, ends tomorrow. Tourism Minister Andres Vanderhorst urged all those with dollars to avoid the possibility of being taken to court and facing other legal sanctions. According to Vanderhorst, the government is going to get possession of all foreign currency and the nation needs all those who receive it to turn it over,

During an interview on the television program "Aeromundo," the minister of tourism added that, above all, the tourism sector, as well as the export sector and the free zones, should comply with the law that obligates everyone to exchange currency with the Central Bank.

Grenada

OLADE Recommends Energy Diversification

FL2910163090 Bridgetown CANA in English 2121 GMT 27 Oct 90

[Text] St. George's, Grenada, Oct 27, CANA—The Caribbean needs to diversify its sources of energy if it is to cushion the impact of crises in the oil industry, according to Gabriel Sanchez of the Latin American Energy Organisation (OLADE).

Sanchez told reporters here: "The Caribbean should have a combination of different sources of energy so the problem you are having in the Caribbean is not unique. We estimate that fifty-two percent of the total energy that we consume is hydrocarbons (oil based), and it's too high for the region; we need to diversify," he remarked.

Sanchez said "at the regional level, we need to use more coal, more hydro-electricity, and reduce the consumption of hydrocarbons." He suggested the Caribbean use more renewable sources of energy in place of oil which is non-renewable. The OLADE official says the region should reduce its dependence on oil because of its high cost, and the effects of crises on the industry.

Sanchez visited Grenada to discuss how his organisation can help the island to cushion the effects of the Gulf crisis on the pricing of petroleum products. The price of petroleum products here has moved up at least four times since the Gulf crisis began, with a gallon of gas now being sold for between 7.89 dollars and 8.21 dollars (one EC dollar = 37 U.S. cents). It has triggered increases in transportation and electricity.

Head of the Energy Division of the Ministry of Finance, Vaughn Renwick, says Grenada can save about four

million dollars by developing other sources of energy. He said, "Grenada spends about fourteen million dollars annually on fuel imports, with about eight million used for the generation of electricity."

According to Renwick: "Our potential hydropower generation capability right now is about fifty percent of that, so we are looking at about four million dollars' savings if we can develop our small hydro potential."

Renwick reported the island is also looking at harnessing wind power to generate electricity. "We now have a wind study going on.... We have measuring stations at various sites in Grenada, and the sister island of Carriacou," he said.

Haiti

CEP, Military Declare Support for Elections

PA2910220590 Paris AFP in Spanish 1711 GMT 28 Oct 90

[Text] Port-au-Prince, 28 Oct (AFP)—It was reported on Sunday that the Provisional Electoral Council [CEP] and the Haitian military sector have reaffirmed their support for the elections and have issued a joint communique warning against any attempt to prevent normal elections.

The communique is signed by CEP President Jean-Robert Sabalat and Colonel Raoul Cedras, chairman of the Coordination Committee for the Security of Electoral Activities.

The (neo-Duvarielist) Union for National Reconciliation [URN] said Friday that there is an alleged "macabre plan" to dismantle the Armed Forces, start a civil war, and place Haiti "under international tutelage." The URN does not accuse anyone by name and provides no evidence to back its charges.

In the communique, the CEP, which is scheduled to meet next week with the Army High Command, congratulates registration office personnel and the military for their contribution throughout the country to the preelection activities.

More than 2.5 million people, that is, 70 percent of the country's potential voters, have registered thus far to participate in the 16 December elections. As many as 3 million people are eligible to vote in Haiti.

The voter registration period officially concluded on Friday, but the CEP has not discarded the possibility of the period being extended to allow as much citizen participation in the elections as possible.

The CEP points out in the communique the problem of "deterioration of relations between the Executive Branch and the Army" because the latter did not serve a warrant for the arrest of Roger La Fontaine, a former minister who was responsible for the "tonton macoutes," who operated under the Jean-Claude Duvalier regime.

The former Duvarielist minister has announced his presidential candidacy despite the fact that the Haitian Constitution bans the leaders of the Duvalierist dictatorship from seeking elected office.

The CEP must announce on 6 November the list of candidates who fill the election requirements.

URN Leaders Allege Existence of Takeover Plot

PA2910203490 Paris AFP in Spanish 0217 GMT 27 Oct 90

[Text] Port-au-Prince, 26 Oct (AFP)—The Union for National Reconciliation (URN, neo-Duvalierist) said in Port-au-Prince on 26 October that there is a "macabre plan" to dismantle the Armed Forces, provoke civil war, and place Haiti "under international tutelage."

Without mentioning names or providing concrete proof, URN Vice Presidents Alphonse Lahens and Jean Theagene and URN Executive Secretary Serge Conille said at a news conference that "an international conspiracy is planning assassinations and acts of political terrorism, and Duvalierists are being falsely blamed for such actions" in order to increase fear and confusion.

According to the URN leaders, teams of assassins, "formed by Haitian citizens who are in the ranks of foreign armies—the names of which they did not mention—and who speak Creole, are ready to move on to the offensive."

They also denounced "the complicity of two high-ranking officers and a traitorous general," but did not provide any names. They denounced the existence of a list of 812 Haitian citizens who, according to the alleged plan, will be "arrested or eliminated." They did not provide the names of those citizens either. They also reported an "ultrasecret" meeting of representatives of five foreign countries on 24 October regarding this plan.

Father Aristide Discusses Candidacy, Prospects

FL2910164590 Port-au-Prince Radio Nationale in Creole in 1300 GMT 26 Oct 90

["Excerpt" from "Face To The Press" program with statements by Father Jean-Bertrand Aristide on Radio Metropole on 25 October; place not given —recorded]

[Excerpt] [Passage omitted] [Aristide] What we have always wanted is a country where people live as human beings, and that they have the elections they always wanted. They may call them free, honest, and democratic elections even if they put well-known Macoutes on the political arena. They would keep us out of the elections and they would hold them the way they wanted. This is why we asked for unity so that we would not find ourselves divided over candidates and then participate in elections that were allegedly going to give Macoutes the opportunity to show off. As numerous people did not accept the unity nomination, I accepted the candidacy for president. This was a difficult decision. It is heavier

than my body, but it is not heavier than my head because together we can see that the avalanche has begun. It will continue to gain force to reunite the majority of the Haitian people so that the wish of the majority is expressed through the elections.

[Unidentified commentator] Father Aristide also said that he sought and received an avalanche of unity, not only here in Haiti, but also in the diaspora living overseas. The Haitian people want the e country to be changed by lucid and staunch young men and women, people who want to give Haiti the dignity it is looking for, so that we can be respected wherever we might travel.

Father Aristide takes this opportunity to talk about his views on on relations with the United States. He also talked about the alliance he has concluded with other political parties and other leaders such as Victor Benoit. We are going to listen again to Father Aristide.

[Aristide] It is an avalanche of unity. This means when the avalanche is flowing down, it takes the same direction. When millions of Haitians put themselves behind only one person going in one direction, it gives you an avalanche. This is what the Haitian people have always wanted: Unity to fight extreme poverty; unity to fight injustice; and unity to fight everything ugly and everything wrong. Not only has this avalanche gone through Haiti but it has also gone through the Haitian diaspora, which allows almost all the diaspora to take the same direction as the majority of the Haitians living here in the country.

[Commentator] Moreover, Father Aristide outlined the type of dialogue he is going to initiate begin with the head of the Catholic church, if he comes to power in Haiti. He said he is going to serve in the same way Jesus did when he washed the feet of his disciples.

[Aristide] Over a two week period, there were negotiations between several political parties and the people within the convergence [Democratic Convergence Group] to find a unity candidate in an effort to demonstrate a united front. The choice fell on me. When the Front [the National Front for Change and Democracy, FNCD,] came to inform me, I asked: Are you sure that this is not an attempt to name a candidate who can be replaced later? Is it a policy to promote unity and togetherness? They said: Yes. I met with Victor Benoit [previously chosen as FNCD presidential candidate] who also said yes. There were witnesses. We met several times. Everybody noted that there was no problem, and that Victor agreed because he acknowledged that the decision was made in the spirit of unity; and this causes me to believe that it went off smoothly for us.

[Commentator] In concluding this report on Father Aristide's statements, we point out that the FNCD presidential candidate, Reverend Jean-Bertrand Aristide provided his opinion on Article 291 of the Constitution. He thinks that the Provisional Electoral Council [CEP] president and the whole CEP ought to respect the law. We will have you listen to Rev. Father Jean-Bertrand Aristide. He made these statements yesterday afternoon on Radio Metropole on the special program "Face to The Press."

[Aristide, in French] I see that our country will finally have the chance to negotiate up-front with the Americans, or rather with the American Government. Negotiating up- front means for us a relation between partners with equal rights, without provocation, without kowtow, without flattery, and without arrogance. There will be a political balance that is going to run through our relations, I mean the relations between the Haitian Government and the American Government. Finally, we will have this historical chance because when men are developed, they develop balanced relations. I want to believe that both sides will be happy to have the opportunity to finally speak as full partners.

I have never engaged in anti-American talk, except when speaking against the policy of the American Governments. The American people themselves must not be confused with the American Government. Even within the American Government there may be Americans who understand the relations that need to be established between their government and other governments [as heard]. I will not need to change policies because the policies to which I have always been wedded constantly advocated this egalitarian relationship. [passage omitted]

Montserrat

Opposition Moves To Oust Osborne Government

FL2910221590 Bridgetown CANA in English 1904 GMT 29 Oct 90

[Text] Plymouth, Montserrat, Oct 29, CANA—The Montserrat Legislative Council (Parliament) will meet on November 7 to debate an opposition motion of no confidence against Chief Minister John Osborne, opposition leader Bertrand Osborne said.

Osborne, addressing a public meeting here at the weekend, listed several complaints against the government, including failure to mount a promised enquiry into the operations of Montserrat aviation services and a recent public squabble between the chief minister and his deputy Benjamin Chalmers.

"Never before have we seen a government in such disgrace," Osborne said. "In any other democracy, people who find themselves in such a position will resign. The moment they find they cannot work together, they stand down and go back to the people for a mandate," he added.

Osborne said he was hoping members of the government would support his motion against the chief minister. He said he had already spoken to Chalmers who declined to give his support.

Chief Minister Osborne, responding to the charges on Monday, said the promised enquiry into the airline company was stalled through a lack of funds. He also rejected opposition allegations that political considerations had guided the distribution of disaster relief following the devastation here by Hurricane Hugo a year ago.

St. Vincent and the Grenadines

Mitchell Announces Pay Hikes for Civil Servants

FL2910154090 Bridgetown CANA in English 2046 GMT 27 Oct 90

[Text] Kingstown, St. Vincent, Oct 27, CANA—St. Vincent on Saturday announced pay hikes for civil servants as the former British colony celebrated 11 years of political independence.

Prime Minister James Mitchell, addressing the annual Independence Day rally at Victoria Park in Kingstown, said the government was increasing the pay of public workers. The size of the increases was not disclosed, but the prime minister said the hike will be included in his annual budget, now being prepared.

The budget will be presented in December; the country is changing its financial year from July 1-June 30 to coincide with the calendar year. The Civil Service Association here announced plans last week to begin negotiations with government on a new pay agreement.

Mitchell also promised workers a half-holiday on November 26 to participate in the opening session of a Windward Islands Constituent Assembly being established under plans members of the Organisation of Eastern Caribbean States [OECS] have for a political union. Mitchell said it is hoped that by the time of the next Independence anniversary, considerable progress would have been made on the issue of the political union, and that a referendum would have already been completed.

Mitchell, who spoke after a military parade, made no mention of a joint meeting between OECS government and opposition leaders here. a public meeting Friday night the opposition politicians expressed disappointment that after two and a half hours of discussions, an agreement could not have been reached on their calls for the assembly to be independent; to have some legal status and changed terms of reference.

Trinidad and Tobago

High Oil Prices Should Boost Local Economy

FL2910213090 Bridgetown CANA in English 1604 GMT 29 Oct 90

[Text] Port of Spain, Trinidad, Oct 29, CANA—After a decade in decline, the Trinidad and Tobago economy looks poised for a resumption of real growth this year, says the London-based Economist Intelligence Unit (EIU).

An unexpected windfall from higher oil prices is expected to play a major role in the turnaround, which will also be aided by the reconstruction of businesses destroyed during the recent coup attempt.

Citing a slowdown in the rate of economic decline in recent months, the EIU publication said government's forecast of a resumption of real growth of between 0.5 and one percent this year looked attainable. "This suggests that the adjustment programme may succeed in halting the decline and stimulating the turnaround," the EIU said.

The report said benefits to the economy would be greater if oil prices remained high. At current prices, the EIU forecast that Trinidad and Tobago stood to earn U.S. 1.9 billion dollars from oil exports.

"Aside from the economic consequences, the rise in oil prices are a boom to the government," said the EIU, noting public disaffection with the government as a result of its adjustment policies. The EIU said the government was likely to channel the increased revenue into investment, thus fueling increased economic activity.

The EIU said the destruction of a substantial portion of Port of Spain's shopping district during the coup attempt should enhance the prospect of a return to positive growth this year with reconstruction plans by several businesess.

"This will give an unexpected fillip to the construction sector, which was still in the doldrums prior to the political crisis," the report said.

Additional 17 Jamaat Al Muslimeen Detained

FL2910165590 Bridgetown CANA in English 1601 GMT 28 Oct 90

[Text] Port of Spain, Trinidad, Oct 28, CANA—Trinidad and Tobago's Police Commissioner Jules Bernard suggested on Sunday that the national security threat presented by the Jamaat al Muslimeen had been significantly reduced, with the detention of its most influential leaders.

One hundred and fourteen members of the predominantly Black Muslim group are awaiting trial on treason, murder, kidnapping, and other charges arising from an abortive attempt on July 27 to overthrow the government. Bernard told the SUNDAY EXPRESS an additional 17 Muslimeens had been detained under the current state of emergency, mostly on the grounds that they were regrouping to finish the job.

"From all appearances, (the regrouping) has not been successful," the police chief said. "There would be others still at large who have not come to our notice, but those who have been detained are the most influential, and are

those who can get others motivated again." A tribunal established to review the cases of the detainees is currently sitting, and will make recommendations to the attorney general.

Two dozen people were killed in the five-day coup attempt in which Prime Minister A.N.R. Robinson and several ministers were held hostage.

Trade Unions Demand Abolition of VAT

FL2910184390 Bridgetown CANA in English 1456 GMT 29 Oct 90

[Text] Port of Spain, Trinidad, Oct 29, CANA—The Council of Progressive Trade Unions (CPTU), the more militant of Trinidad and Tobago's two trade union federations, has called for the scrapping of the government's 15 per cent Value Added Tax (VAT). The trade union grouping issued the call in a document submitted to the government containing suggestions for possible inclusion in the 1991 budget, expected to be presented by Finance Minister Selby Wilson in December. The CPTU said the 10-month-old VAT should be scrapped because it penalised the unemployed, students, pensioners, and low income groups in the society.

The trade union grouping proposed instead that government should re-introduce the Pay-As-You-Earn (PAYE) system as the main regime for taxation in the country, with relief based on costs for education, children and dependents, mortgage for owner occupied property, repairs to owner occupied property, and investment in life insurance policies.

Addressing the problem of poverty and hunger, the CPTU proposed a social emergency welfare tax of 1.5 percent on individuals earning more than 100,000 dollars (one TT dollar = 23.5 cents U.S.) per year. Corporations would contribute three percent of their profits.

The labour organisation called for the establishment of an unemployment relief fund with inputs from the social emergency welfare tax, the national insurance board, and government revenues. It also proposed the introduction of a system to register homeless people.

On the issue of agriculture, the CPTU suggested the urgent implementation of a full scale agricultural production programme on state lands throughout the country, utilising the services of the Ministry of Food [words indistinct].

Martinez Followers Seize German Consulate

PA3010012790 Mexico City NOTIMEX in Spanish 2004 GMT 30 Oct 90

[Text] Oaxaca, 29 Oct (NOTIMEX)—The German Consulate in this city was seized this afternoon by five followers of Dr. Felipe Martinez Soriano, who has been in prison since 27 June in Mexico City on charges of being the mastermind in the killing of two guards working for the daily newspaper LA JORNADA. One of Martinez Soriano's followers has reported that his group has kidnapped the consul, Wolfgang Wilczek Westphal.

Octavio Cruz Cruz, coordinator of the National Independent Committee [CNI] for the defense of prisoners, persecuted people, missing persons, and political exiles has reported that the five intruders have initiated a hunger strike to demand the liberation of their leader.

Cruz Cruz said that the group has virtually kidnapped the German consul and will hold him, "but we guarantee his physical safety and moral integrity."

The members of the committee are demanding that the German Embassy arrange an audience with the president of Mexico and with the National Human Rights Commission.

Francisco Torres Cruz, another spokesman for the protesters has said that the group will stay in the consulate until their demands are met. The consulates of Great Britain, Canada, the United States, and Italy are in the same building and on the same floor where the German Consulate is located.

The German diplomat was interviewed from across a window and said that he had instructions from his ambassador, Ymnov Kesse [name as received], "not to use the public forces" and refused to make further comments on the matter.

The CNI group has issued a communique demanding the release of political prisoners throughout the country and a halt to the repression against social rights fighters and popular movements, among other things.

CIN militants have been picketing in front of the Government Palace for the past four months making these demands and insisting, especially, on the release of Martinez Soriano.

Government Secretary General Ildefonso Zorrilla Cuevas has met with a CNI representative and offered to meet with the Human Rights Commission. The CNI wants to meet with President Carlos Salinas de Gortari.

* Views of Relations With United States Polled

91CA0004A Mexico City NEXOS in Spanish No 153, Sep 90 pp 67-69

["Survey Corner"; for text of survey cited in first sentence, see FBIS LATIN AMERICA DAILY REPORT of 13 September]

[Text] In issue No 151 of NEXOS (July 1990), we published a poll on the Free Trade Agreement with the United States and Canada. One question appeared in the survey which keeps coming back: What is the nature and the condition of our relations with the United States? In order to learn the answer to that question, Professional Opinion, Inc. interviewed 5,000 persons throughout the country in 56 different locations found in 36 municipalities and 26 states, including the Mexico City Metropolitan Zone (ZMCM). The locations were chosen at random, identifying areas representing different income levels and guaranteeing distribution based on age and sex according to census data updated by CONAPO [National Population Council]. Three strata were also defined based on the size of the location: rural, under 2,500 inhabitants; small urban, from 2,500 to 20,000; and large urban, over 20,000.

The survey is representative of the national population and also eight regions established to determine the existence of differences of opinion in the population surveyed.

In order to compare certain results of the survey with what people in the United States think of Mexico, Professional Opinion, Inc. (OP) extracted certain results from the survey "American Public Attitudes Toward Mexico and the Mexican People," completed in August 1989 in the United States by Research and Forecast, Inc. (RF).

Relations

Most Mexicans define their opinion of the United States as good or average. This perception coincides with the opinion of the majority of the American population interviewed in August, that Mexicans have positive feelings about the United States (very positive, 17 percent; somewhat positive, 40 percent).

They also have good opinions of relations between Mexico and the United States. That opinion is more frequent among inhabitants of big cities, regions of the Gulf, the ZMCM, northwest and south.

In general, what is your opinion of the United States?	
Good	41
Average	40.9
Bad	13.7
Do not know	4.3

In general, how would you describe Mexico's relations with the United States?	
Excellent	5.4
Good	50.9
Normal	17.4
Bad	13.3
Very bad	3.4
Do not know	9.7

By Region[1]

	Bad	Very Bad	Good	Excellent
Gulf	12	2	58	5.4
Mexico Valley	15.4	4	58	2
Northwest	14.4	4	51	7.8
South	16.6	2	53	5.5
Average	13.7	3	52	4.3
North	12.3	2	50	5.1
Center	15.3	3	51	3.2
West	16.5	4	42	3.7
Southeast[2]	4.4	4.4	39	0.9

[1]Does not include "Normal" or "Do not know."

[2]"Do not know" category very large (23.4 percent).

Opinion in United States

The opinion that relations between the two countries are good is more frequent among Mexicans than among Americans. In Mexico, 53 label relations as excellent or good and only six percent say they are bad, while in the United States only 40 percent think they are good and 13 percent say they are bad.

How would you rate the overall quality of our foreign relations with Mexico (opinion of Mexico in United States)? (RF)

Good	36
Poor	15
Fair	45
Excellent	4
Don't know/No answer	2

In general, how would you rate Mexico's relations with the United States (opinion of United States in Mexico)? (OP)

Good	50.9
Poor	17.7
Normal	17.4
Excellent	5.4
Don't know/No answer	9.7

How would you rate our relations with:

	Opinion in Mexico on US	Opinion in US on Mexico	On Brazil in Mexico	On Brazil in United States
Excellent	4.0	4.0	3.5	2.5
Good	49.3	36.0	34.4	26.0
Average	32.2	45.0	24.2	40.0
Poor	6.8	13.0	2.6	14.0
Do not know	7.7	2.0	35.3	18.0

Lure of American Way of Life

The perception of the United States also emerges from a whole set of positive opinions about claims made concerning our neighbor to the north which were put to those polled. For example, for most Mexicans, the United States is a democratic country with hard-working people where one can work hard and get ahead and find a nice place to go for vacation. It is also perceived as an imperialistic country with no cultural heritage, although for a third of those interviewed, it is a model to follow for the Third World.

In comparing certain results with the responses of Americans about Mexico and Mexicans, once again one perceives a more positive opinion from Mexicans about the United States. For Americans, Mexico is only recognized as a country with a rich cultural heritage and as its friendly neighbor to the south.

I am going to read a number of statements about the United States. In each case, would you please tell me whether you agree or disagree. Do you think the United States is (responses from OP survey marked by *):

A country where one can work and get ahead	67.3
A nice place to take a vacation	57.5
An imperialist country	52
A country of hard-working people	51.7
A democratic country	51.5
A country with no cultural heritage	42.8
A model to follow for Third World nations	37
	Percentage in Agreement
Mexico has a rich cultural heritage	58

*The United States is a country with no cultural heritage.	43
Mexico is a beautiful place for a vacation.	47
*The United States is a nice place to take a vacation.	58
Mexico is a good example to follow for Third World countries.	37
*The United States is an example to follow for Third World countries.	37
Mexico is our friendly neighbor to the south.	81
*The United States is an imperialist country.	52
Do you think Mexico is mainly a democratic, socialist, or communist country? Socialist:	39
*The United States is a democratic country.	51
Mexico is a good place to invest.	30
*The United States is a country where one can work and get ahead.	67
Mexicans are very lazy.	19
*The United States is a country of hard-working people.	52

Suspicion and Distrust

Although opinions about the United States are favorable, most Mexicans have doubts about our neighbor's intentions of helping Mexico solve its economic situation, and opinion is divided about who would benefit the most from closer relations between the two countries.

Only a third of the population thinks the United States truly wants to help Mexico. Most do not believe or do not have definite opinions about its real intentions. This opinion prevails in the ZMCM and among the rural population. In the southeastern and northern regions, which generally have a better opinion of the United States, more people think that country does want to help Mexico.

Do you think the United States wants to help Mexico resolve its economic situation?

Yes	35.5
No	48
Do not know	16.5

By Region[1]

Region	Yes	No
Southeast	53.8	36.1
North	47.3	34.1
West	44.3	47.9
Gulf	39.3	45.9
National Total	35.5	48
Mexico Valley	29.6	61.3
South	29.3	54
Northwest	27	55.7
Center[2]	23.9	53.7

[1]Does not include "Do not know/No response."

[2]"Do not know" very high (22.4 percent).

For Mexicans, the United States and, to a lesser extent, both countries would benefit more from closer relations. This opinion is widespread in the regions of the Gulf, the South, the ZMCM, the northwest, and rural people.

Who do you think would benefit more from closer relations between the two countries: Mexico or the United States?

United States	36.3
Both	32.2
Mexico	23.2
Do not know	5.9
Neither	2.3

By Region[1]

Region	United States	Mexico
West	37.1	48.1
North	32.6	43.4
Northwest	38.8	41.9
Gulf	45.8	38.4
Mexico Valley	53.6	37.7
National Total	41.9	36.3
Southeast	34.4	32.5
South	56.7	28.4
Center[2]	39.7	25.1

[1]Does not include "Both" or "Do not know."

[2]"Do not know" very high (22.1 percent).

This opinion is obviously different in the United States, where the predominant opinion is that both countries would benefit from better relations.

Do you think that closer relations between Mexico and the United States would mainly benefit Mexico, the United States, both Mexico and the United States, or be of no benefit to either?

	OP	RF
Mexico	23	25
United States	36	3
Both	32	68
Neither	2	3

* Recent Human Rights Violations Surveyed

* Countryside Abuses Stressed

91CA0003A Mexico City PROCESO in Spanish No 722, 3 Sep 90 pp 14-17

[Article by Raul Monge]

[Text] Last 19 August Dr. Hernandez Cortes of the medical unit at the Southern Penitentiary examined 42-year old Rafael Ortega Aldama, who had been placed in the custody of the judicial authorities on drug-trafficking charges. Members of the Federal Judicial Police (PJF), under the direction of a commander whose last name was Larios, arrested him and took him to the prison.

The prisoner's physical condition upon entering the penitentiary was described thus in the medical report: "An extensive inflammatory response can be felt with jagged edges in the structure (probably skin and subcutaneous cellular tissue) in the left occipital-parietal region, as well as in the occipital region. Bilateral periocular ecchymoses, one-centimeter dermal-epidermal abrasion by the bridge of the nose. Four-centimeter bluish-yellow ecchymosis on both shoulders. Twenty-five centimeter yellowish-blue ecchymosis across the upper anterior part of the thorax and sternum, manubrium, and apex region. Fifteen-centimeter black and blue ecchymosis across the epimesogastrium. Ten-centimeter bluish ecchymosis on the left aspect of the thorax, mid and posterior axillary line. Fifteen-centimeter ecchymosis on the left side of the abdomen, projecting towards the left iliac concavity."

In other words, there was evidence that the man had been cruelly beaten. He had bruises on almost his entire body, and his cranium had been crushed.

The medical report stated, according to the provisional classification, that the injuries "do not pose a danger to life and will take more than 15 days to heal."

This is exactly how the authorities handled another of the many cases in which the origin of injuries is never explained. They were not mentioned in the court case file either.

The incident caught the attention of Victor Orduna Munoz, the president of the Administration of the Justice Committee of the Federal District Assembly of Representatives (ARDF). He investigated and found that irregularities had been committed from the arrest to the indictment of the alleged wrongdoer.

Rafael Ortega Aldama was arrested eight days before he was brought before the judge. During that time he and four others were tortured in a private home that the PJF has in the Lomas de Tecamachalco housing development, and violence was used to elicit his court deposition.

Orduna Munoz has further details about this last point. The federal agents, led by a commander whose last name was Larios, bandaged Ortega Aldama from head to foot, as if he were a mummy, and tossed him into a swimming pool. The policemen removed him a few minutes later, when they thought it appropriate. They allowed him to breathe and then tossed him back in.

When they were not doing this, the federal agents resorted to beatings. They jumped on his hands, which were always tied together, to judge by the wounds that he has on both wrists. They burst parts of another detainee's ears during their torturing of him. Eight days later the defendants were placed in the custody of the judicial authorities. Rafael Ortega was sent to the Southern Penitentiary, and the others, Fernando Chavez and Eduardo Acacio Trujillo, among others, were taken to Michoacan on charges of fraud.

Some days before, in Tijuana, Baja California, federal agents were involved in another incident that outraged human-rights organizations. Ruben Oropeza was the victim this time. Trying to make him confess to crimes against public health, they gave him a beating that has him in very serious condition in the IMSS [Mexican Social Security Institute] clinic, where he was accepted thanks to the efforts of the National Human Rights Commission, which is chaired by Jorge Carpizo McGregor. Their blows damaged his intestines. Saving his life will require flying him to the Soviet Union or England, the only countries in the world in which operations to reconstruct these organs are done. The National Human Rights Commission recommended to the Office of the Attorney General of the Republic (PGR) that the agents who are responsible for the torture be fired and indicted.

Other cases that illustrate police excesses are those of Juan Manuel Alvarez and Ricardo Juarez Lopez. Police agents were involved in these two as well.

Arrested in the city of Veracruz and later released, Juan Manuel Alvarez is still suffering the consequences of the nightmare that he experienced. He was forced to eat pieces of glass. As a result he has required several surgeries but has still not completely recovered. He is being treated at the National Institute of Nutrition.

Ricardo Lopez Juarez is another case. He was found hanging from a pipe in one of the bathrooms at the northern penitentiary. Although the autopsy stated that Lopez, who had allegedly kidnapped the child Jesus Israel Jimenez Valderrama, had died of "hanging," a subsequent police investigation determined that his death was caused by the "multiple lesions that had been inflicted on him previously." His relatives, including his mother, Guadalupe Lopez Juarez, were also tortured. Of the five judicial agents who were involved in this incident, only three were arrested and charged. The man directly responsible, Enrique Alvarez Palacios, is out on probation.

The "Fray Francisco de Vitoria, O.P." Center for Human Rights, a nongovernmental organization that for the past six years has been investigating violations of individual rights in the country, has compiled a sort of "black file" on the record of President Salinas de Gortari's administration in the area of human rights.

Based on first-person charges and complaints published in the national press from December 1988 to June 1990, the center, which belongs to the Dominican order, has put together a list of cases showing that existing legislation is not being honored.

Some of the information was published in the 4 June national and international editions of TIME magazine, which prompted a protest from the director of Social Communication of the Presidency, Otto Granados Roldan (PROCESO 721). The Human Rights Center, which is run by Father Miguel Concha Malo, had published the report long before that in the human-rights publication JUSTICIA Y PAZ without causing any problem.

The study done by the "Fray Francisco de Vitoria, O.P." Center for Human Rights lists each one of the cases that arrive at its offices, placing them in the following categories: murders, kidnappings, disappearances, torture, intimidation, arbitrary detentions, breaking and entering, and violent evictions.

The center has a chronological listing of more than 1,200 cases, from December 1988 to June 1990, 500 of them duly documented. These are the ones that in fact appeared in the magazine JUSTICIA Y PAZ. The sources of information on which the study is based are: the "Fray Bartoleme de las Casas" Center for Human Rights in Chiapas; the Mexican Academy of Human Rights; the Commission for the Defense of Human Rights A.C. in Jalapa; the Mexican Commission for the Defense and Promotion of Human Rights A.C., and several news publications.

The "black file" will be reopened as a result of the sessions that the ARDF will hold from 25 to 27 September. The committees of public security and administration of justice, which are chaired by Ramon Sosamontes and Victor Orduna, respectively, and human-rights organizations will demand in-depth reforms of existing legislation from President Carlos Salinas de Gortari, reforms that will truly guarantee respect for individual rights.

"Mexico must fulfill in practice the commitments that it has made in international forums," asserts Concha Malo, the director of the Dominican Center for Human Rights.

We can gather from the list of cases that individual rights are violated in this country at least once a day on the average, not counting the cases that are not reported. We can also see that the residents of rural or disadvantaged towns in the states of Oaxaca, Chiapas, Guerrero, Michoacan, and Veracruz are constant victims of violence and repression over electoral matters, land takeovers, land claims, and drug trafficking.

The center furnishes the following figures, which it cautions probably understate the facts:

Arbitrary detentions: 546 cases. "This does not include some group incidents in which the victims could not be quantified. Many arrests also involve other violations of human dignity, such as violent break-ins, threats, intimidation, and mistreatment."

Injuries: 331 cases.

Arbitrary executions: 100 cases. "Noteworthy here are the slayings of some 23 inmates who rioted at the Cereso [Social Rehabilitation Center] in Tepic, Nayarit."

Detentions-disappearances: 33 cases.

Torture: 41 cases.

"The political slayings are worrisome, both those that have taken place during confrontations between opposition and government forces and selective killings of opposition-party members or, in some cases, officials of a local government or the ruling party," the center states.

It adds that other incidents must be added to these, such as threats, intimidations, assaults, the rerouting and breakup of marches, violent evictions, arbitrary break-ins (homes, offices, colonias [urban communities], and towns), and kidnappings.

In the view of Father Miguel Concha, the great many violations of individual rights only underscore the urgent need for reforms in current legislation in order to guarantee full respect for human rights. "Unfortunately, existing legislation is dead letter."

President Carlos Salinas de Gortari was able to hear this for himself on 22 August. In the community of El Registrillo, Durango, Tepehuano, Huichol, and Mexicanero Indians, among nine other indigenous communities with which he met, told the chief executive about the injustices that law enforcement officials inflict on them.

Valentin Cervantes, from the Chilapa community, charged that on 19 July in Santa Maria Ocotan, Federal Judicial Police agents violently arrested 14 Indians, including five minors, for alleged ties with Satanic drug groups. They accused them of 30 or more murders, which "we have never committed."

He recounted that the federal agents, besides beating them, took with them 40 arrows as evidence of their involvement in Satanic acts. The Tepehuano Indians do, in fact, use these weapons, but in religious ceremonies.

A couple of days before, the attorney general for the Federal District, Ignacio Morales Lechuga, furnished additional evidence that all is not well in the area of human rights in Mexico. In resolution number C/005/90, dated 22 August, which prohibits judicial agents from taking part in interrogations of individuals involved in criminal acts, the attorney general for the Federal District asserted that the work done by the National Human Rights Commission, chaired by Jorge Carpizo, has shown only that "there persists illicit conduct by individuals who ought to be watching out for public safety and for the achievement of justice."

In spite of the Federal Executive Branch's many exhortations that human rights be respected, he adds: "We are not succeeding in satisfactorily curbing the abuse of power, the repeatedly illicit conduct, and the contempt for the established social order by institutions whose mission is to protect and defend public safety."

Founded in 1984 by the Province of Santiago of the Order of Preachers, the "Fray Francisco de Vitoria, O.P." Center for Human Rights provides evidence in its survey that police bodies are the ones that break the law most often, as international groups have also stated, such as Americas Watch and the International Committee of Minnesota Attorneys for Human Rights. Federal, state, and municipal police forces head the list of culprits. They are followed by caciques, soldiers, hired gunmen, and white guards.

Here are two of the cases that occurred at the start of the current administration.

On 31 December 1989 Elpidio Dominguez Castro, a town leader of Santa Fe de la Laguna, Michoacan, was ambushed and shot to death in his town as he was trying to reclaim lands that been stolen by ranchers from the Quiroga region. In spite of the many complaints and even though the killers have been positively identified, the authorities have still not taken legal action against them.

The first political kidnapping of the new administration had taken place several days before. As yet unidentified individuals kidnapped Jose Ramon Garcia, an activist of the Revolutionary Workers Party (PRT), in Cuernavaca, Morelos. His whereabouts remain unknown, as are the findings of the ad hoc commission that was appointed to investigate the incident.

As a first step towards national reconciliation, the administration pardoned prisoners who had been arrested for political and social reasons, created the General Directorate of Human Rights, a branch of the Interior Secretariat, and issued resolutions to insure respect for human rights.

These measures had little effect, however. Not a day passes that a public complaint is not lodged about some violation of individual rights, in both the countryside and the city, for land-related and political reasons alike.

December 1988. Veracruz Public Security agents gunned down Guadalupe Landa, as recorded in Preliminary Investigation 748/988. As they were about to arrest him during their investigation, he bolted. They wounded him, and he fell to the ground. There they finished him off with a bullet to the head.

March 1990. Arturo Alborez, a leader of the Emiliano Zapata Peasant Organization (OCEZ), was shot and killed in Tuxtla Gutierrez, Chiapas. The person or persons responsible have not been identified.

Agustin Hermosa Vazquez and Reynaldo Alonso Romero, peasants from Casahuatlan, Morelos, met the same fate. There were five perpetrators of the dual slaying.

In Acapulco, Guerrero, Armando Larumbe Vazquez, a PRD [Party of the Democratic Revolution] activist, was killed by judicial agents. In Cuanajo, Michoacan, peasants Adan Custodio Rosas and Rolando Tzinzun were the victims of cacique Domingo Victoria Alcala.

The Human Rights Center mentions that among the places where the law has never been enforced is the countryside. It states that for years peasants and Indians "have seen their rights trampled on." Their demands have been savagely quashed, mainly in the states of Oaxaca, Veracruz, Guerrero, Chiapas, Yucatan, and Tabasco, although this has also begun to spread to the northern section of the country, such as the Tarahumara Highlands in Chihuahua, Acaponeta, Nayarit, and the state of Sinaloa and the city of Matamoros. According to the National Indian Institute (INI), more than 5,000 peasants and Indians are in jail without justification.

A report on events in Chiapas this last April proves this.

"In the early morning of 11 April of this year, 45 families were evicted from Poblado Paso Achiote, 30 from Union y Progreso, and 35 from Emiliano Zapata, in the municipality of Chiapa de Corzo. The operation was conducted by some 600 members of the Public Security Police, accompanied by caciques and gunmen.

"Several men and women were struck with the butts of guns. The homes were completely destroyed, and 14 peasants from the Paso de Achiote community and ten from Union y Progreso were arrested. They are currently being held in the Cerro Hueco jail in the Chiapas capital.

"Most of the evicted families took refuge in schools in the town of Venustiano Carranza. Their living conditions are deplorable. Dominga Montero Patistan gave birth prematurely on 18 April as a result of being beaten. The whereabouts of four under-age children are unknown."

In October 1989, peasants from San Francisco La Paz, Chiapas were attacked by the state Judicial Police and white guards. They beat minors, raped women, and kidnapped 11 individuals, among them Baldemar Escobedo, the secretary of communal goods of the indigenous community of Zoque.

On 10 February the leader of the National Union of Peasant Organizations (UNORCA) was slain. According to witnesses, Jose Antonio Simon Zamora was caught unawares by two armed men who entered his home. After threatening him, they killed him in the presence of his two children by firing one bullet into his face.

"During the almost seven hours that they were in the house, they threatened several times to kill the children unless Jose Antonio agreed to hand over all his money and valuables, which he immediately did. Nonetheless, after searching the entire house, they killed him and took with them only a pair of tape recorders, a suitcase with work papers, and travel clothing."

The administration appointed a special prosecutor to investigate the crime. So far, however, there have been no findings indicating that the murder was not politically

motivated, as people were led to believe. Simon Zamora was a prominent champion of the workers and peasants. "He was a tireless battler, a defender of democracy and justice," his followers say.

The Dominicans' Human Rights Center also keeps tabs on political crimes and violations of individual rights in connection with electoral campaigns, mainly in the states of Oaxaca, Guerrero, and Michoacan. One fact illustrates how serious things are: the PRD alone has suffered 80 casualties.

The most recent ones were Ignacio Nava, Felix Ventura, and Alberto Santiago Garcia of Tlacoachistlahuaca, Guerrero. Gunmen hired by Mayor Daniel Onofre shot them.

Romualdo Garcia, a labor leader and PRD official in Amojileca, Guerrero, also died at the hands of gunmen. Leopoldo Mercado Bravo, a dissident professor and former leader of the PSUM [Unified Socialist Party of Mexico], the PMS [Mexican Socialist Party], and the PRD in the Indian area of Canada de los Once Pueblos, Michoacan, was gunned down. The same thing happened to Jorge Mendez, a leader in Tlacolula, Oaxaca, during a police operation to evacuate the town hall, which had been taken over by PRD supporters.

In view of this panorama, Victor Orduna Munoz, the chairman of the Justice Committee of the Federal District Assembly of Representatives, who will also submit other cases of torture victims to the National Human Rights Commission, sums up the situation thus: "The police have gotten to levels of human degradation that in one way or another has to be halted."

He agrees with Father Concha Malo that the current law on torture, which was sponsored by the previous administration, is "inadequate." And he goes farther. He states that it was enacted for a primarily political reason, above and beyond any other consideration.

Concha Malo notes, for his part, that the latest reports of human-rights violations again underscore the urgent need to make legal changes that will eradicate torture, which he said has almost always been practiced against the poor and opponents of the government.

He also calls attention to another fact: that Mexico has not yet ratified the Optional Protocol of the International Pact of Civil and Political Rights of the Convention Against Torture and other cruel, inhuman, or degrading treatments or punishments. Under this, the Human Rights Committee would take up reports from individuals who allege that their individual rights have been violated.

Thus, he explains, human-rights groups are prevented from bringing specific cases of human-rights violations before the UN Assembly.

Since Jose Lopez-Portillo's term the official argument has been, Concha says, that no one other than Mexicans is entitled to intervene in domestic affairs. "But the authorities are forgetting that human rights are part of international law. And this is no way endangers our country's sovereignty."

It only shows, he adds, that the Mexican Government, which has always proclaimed its adherence to and respect for international rights in international forums, is not practicing what it preaches.

As for the recent measures taken by the Federal District Attorney General's Office (PGJDF) in the area of human rights, the director of the "Fray Francisco de Vitoria, O.P." Center for Human Rights feels that "they are just a few steps" that give us hope. But, he underscores, the solution is to get to "the bottom of things."

No sooner had the PGJDF issued two circulars to prevent abuses of power by the Judicial Police than Fernando Velazquez Juarez was dragged violently from his home at Florines 134 in colonia Aquiles Serdan by capital-city judicial police agents riding in a Suburban station wagon with license plates 921-BTN. As this issue went to press, his relatives did not know of his whereabouts.

Velazquez Juarez was drinking in the street with some friends. When he saw the station wagon driving up, he started running. His behavior aroused the suspicions of judicial police agents, who got out of the vehicle and began chasing him, all the way to his house. They almost knocked down the door to get in and then beat and shoved their victim out. Two cartridge cases were the only evidence that they left behind, besides damage to the house.

* Torture, Confessions Viewed

91CA0003B Mexico City PROCESO in Spanish No 722, 3 Sep 90 p 17

[Text] Someone had to die by torture for the authorities to pay attention to this fact about police agencies: they use torture to obtain confessions from detainees.

Even though the National Human Rights Commission had acknowledged in the past that Mexico had human-rights problems, the Attorney General's Offices of the Federal District and of the Republic [PGJDF] responded with silence.

But after the case of Ricardo Lopez Juarez, an alleged kidnapper and rapist, came to light (he died of the beating that he was subjected to), the PGJDF tried to save face.

First it indicted three of the five culprits. The former special prosecutor of the Gustavo A. Madero regional delegation, Enrique Alvarez Palacios, was released on bail over the protests of the Mexican Commission for the Defense and Promotion of Human Rights A.C.

It then issued a circular prohibiting judicial agents from taking part in the interrogation of individuals involved in criminal acts. Finally, it announced that it would soon

publish a resolution in the DIARIO OFICIAL establishing that the Public Prosecutor's Office may not indict an alleged criminal on the basis of his own confession. An indictment must now be supported by evidence of a crime and expert testimony.

In 1986, when the Senate passed the Executive Branch's decree enacting the Federal Law To Prevent and Punish Torture, human-rights organizations failed in their attempt to include certain recommendations, which today, paradoxically enough, are beginning to be adopted.

Miguel Concha Malo, the director of the "Fray Francisco de Vitoria, O.P." Center for Human Rights, recalls that the following were some of the main observations made to legislators at the time: that a confession constitutes only circumstantial evidence and must be made voluntarily (the PGJDF has now adopted this). Court decisions have established, in contrast, that the initial statement by an accused is full proof and that a retraction must be taken into account only subjectively by the judge if motives that substantiate it and that can be proven are adduced.

"The legislators were told several times that it was absolutely necessary to establish the value of a confession only when it was made in the presence of a defense attorney, the competent judge, and at a public hearing, because everyone knows that it is during preliminary investigations that people are tortured, often in complicity or collusion with the judicial authorities and the Public Prosecutor's Office."

Ultimately, the law was passed, with 13 no votes and the congressional blocs of PAN [National Action Party], PRT [Revolutionary Workers Party], PSUM [Unified Socialist Party of Mexico], and part of PDM [Mexican Democratic Party] absent. "It showed that no one was happy with the law."

Carlos del Rio Rodriguez, the chief justice of the nation's Supreme Court, stated on Tuesday the 28th that torture as a means of forcing confessions "should have been eradicated 100 years ago."

Any action taken to do away with this vestige of the Middle Ages is good, he said.

Ramon Sosamontes Herreramoro, the chairman of the Public Safety Committee of the ARDF [Administration of the Justice Committee of the Federal District Assembly of Representatives] and sponsor of the conference on torture that will be held at the end of this month, asserted that if the political will to eradicate torture really exists, the government ought to take into account each and every one of the proposals that emerge from the event. "What is needed is new legislation or at least a reform of the one we have."

In Tijuana meanwhile, around 30 inmates of "La Mesa" state penitentiary threatened to resume the hunger strike that they staged after one of their fellow prisoners was physically assaulted, when they learned of another case of torture by judicial agents.

According to the testimony of certain inmates, 22-year old Nabor Bejarano Leon was apparently forced to drink acid. As a result, 15 centimeters of his intestines had to be removed. The State Attorney General's Office began criminal proceedings against four agents who were implicated. The charges were: abuse of authority and assault and battery. The crime of torture does not appear in the local Penal Code.

In Ciudad Juarez, Chihuahua, the Federal Judicial Police kidnapped, tortured, and killed 18-year old Hector Ferrel Sarmiento. According to Felipe Pando, the chief of the Homicide Department of the State Judicial Police, the murderers arrived at the home of the now deceased youth in colonia Nuevo Hipodromo and dragged him out violently. His body was found at the place known as El Sauzal, in the Bravos district, 15 kilometers from the capital. Near the body was a note that read: "For not paying up."

Miguel Agustin Corral Olivas, a PAN [National Action Party] federal congressman, denounced the incident and stated that the "credibility that the Salinas administration has gained is being lost because of the outrages that Javier Coello Trejo and his gang of criminals are committing."

El Salvador

Cristiani Views U.S. Aid Cut, Bus Strike

PA2910220390 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 29 Oct

[Report on interview with President Cristiani by unidentified reporter; place and date not given]

[Excerpt] [passage omitted] Referring to military aid, President Alfredo Cristiani has said that the country is not receiving military aid from any country other than the United States. He said, however, that the cut in U.S. military aid does not prevent the Salvadoran Armed Forces from carrying out its operations.

[Begin recording] [Cristiani] The Defense and Public Security Ministry and the Armed Forces will continue their normal operations to protect the security of the country and the people. There will not be any changes in their operations. This situation does not entail changes in any government plan.

[Reporter] What impact will the cut in aid have? Will it be positive or negative?

[Cristiani] The amount approved is the same as last year's amount, but it was withheld or cut back. Approximately 50 percent of the aid has conditions attached for both sides. We hope this signal will be not misinterpreted by the most radical or militaristic elements within the FMLN [Farabundo Marti National Liberation Front]. We hope that the FMLN will not see it as a weakness in the operations of the Armed Forces. That is not the case at all, and it will be regrettable if the aid cut encourages the most radical FMLN members. [end recording]

On another matter, Cristiani said the AEAS' [Association of Salvadoran Bus Owners] decision to exert pressure through a bus strike today to get a 50 percent increase in bus fares cannot be allowed, as diesel is still subsidized.

[Begin Cristiani recording] We must take into consideration that the subsidized diesel, which is perhaps one of the most influential factors in the cost structures of the transportation sector, was not altered by the price increase. This crisis that stems from the Persian Gulf situation seems to be temporary. From the start, we asked for understanding—even sacrifice—from some sectors, on this matter. At this moment, we cannot touch the cost of mass transit fares, since there is no reason we cannot find other solutions. The government does not think that mass transit fares should be changed. [end recording]

Alfredo Cristiani reiterated that it will not grant the 50 percent increase AEAS wants, to the detriment of passengers. AEAS members also explained that they went to the president this morning, hoping to meet with him and solve what they refer to as the mass transit crisis.

Hints at Postponement of FMLN Talks

PA2910221790 Mexico City NOTIMEX in Spanish 2046 GMT 29 Oct 90

[Text] San Salvador, 29 Oct (NOTIMEX) Salvadoran President Alfredo Cristiani said today that the talks scheduled for Sunday, 4 November, with the Farabundo Marti National Liberation Front [FMLN] could be suspended. During a news conference, he confirmed that his government representatives held a meeting in Mexico City today prior to the sixth round of talks with the FMLN.

The confidential meeting, according to Cristiani, was held at the initiative of UN mediator Alvaro de Soto. It was held to discuss "new procedures" that will make the negotiating process that began last May more dynamic. He confirmed yesterday's reports on the postponement of the talks because this will be a vacation period in Mexico.

At the last meeting, held in mid-September, the sides agreed to resume the talks on 4 November. The points discussed by the sides during the previous meeting included a proposal on procedures to expedite the peace talks. This proposal was submitted by Cristiani to the FMLN last month, but it was not disclosed. Attending the meeting are Oscar Santamaria, chief of the government delegation, and Colonel Mauricio Vargas, deputy chief of the Armed Force's general staff, the president confirmed.

On another matter, Cristiani said that placing conditions on the military aid his country receives from the United States could adversely affect the negotiating process because "some radical sectors within the FMLN could misinterpret it." "If some FMLN members think that withholding the aid will weaken the Armed Forces, that would encourage more violent action," he said.

Regarding the sources that will replace the frozen funds earmarked for the Army, he said "there is no need" to seek a replacement for the withheld aid.

FMLN Commander Warns of Disregarding Agreements

PA2910221890 Madrid EFE in Spanish 2027 GMT 29 Oct 90

[Text] Tuxtla Gutierrez (Mexico), 29 Oct (EFE)—Emilio Meno Sandoval, commander of the Farabundo Marti National Liberation Front (FMLN), today warned that if no peace agreement is reached during the next round of negotiations in Mexico, the guerrillas will not respect any previous agreement.

Meno Sandoval is touring Mexico's interior to explain the FMLN attitude at the negotiating table. In Tuxtla Gutierrez, in southern Mexico, he accused President Alfredo Cristiani's government of refusing to make a genuine concerted effort.

According to the commander, the Salvadoran Government decision to send Colonel Mauricio Vargas—creator of the death squads in El Salvador and a man with whom it is useless to hold frank and open talks—to the negotiations, proves that the government has a negative attitude.

Meno Sandoval blamed the Salvadoran Armed Forces for the death of 80,000 people during 10 years of civil war and for the social injustice that prevails in that Central American country.

Finally, he noted that he will attend the negotiations between the FMLN and the Army to be held in Mexico on 4 November when an effort will be made to agree on a cease-fire and the demilitarization of El Salvador.

Bus Owners Association Spokesman on Work Stoppage

PA2910234990 San Salvador Radio Cadena YSU in Spanish 1200 GMT 29 Oct 90

[Interview with Teodoro Gonzalez, public relations secretary of the Association of Salvadoran Bus Owners, by unidentified reporter in San Salvador—live]

[Text] [Gonzalez] The labor stoppage decreed by AEAS [Association of Salvadoran Bus Owners]—because of the economic crisis that is adversely affecting the transportation sector—has been 90 percent successful. This is our first show of muscle to the government so that it will resolve the problems of the transportation sector.

[Reporter] What problems are you facing now?

[Gonzalez] One of the problems is the cost of operating the vehicles.

[Reporter] You are demanding compensation from the government. To this effect, have you tried to meet with the economy minister? What results have you obtained?

[Gonzalez] We have unsuccesfully tried to meet with the economy minister. I invite you to come to our headquarters later on because we will hold a news conference to explain our actions and the reasons for them.

[Reporter] Among the 90 percent that you mentioned, what bus lines have joined the labor stoppage?

[Gonzalez] I would not like to elaborate on that, but the buses in the eastern area of the country have joined the stoppage. Given the economic crisis, other bus lines have joined the stoppage to display their solidarity. As they also feel the economic pinch, they have displayed their solidarity. The bus lines in the eastern area of the country, however, have staged this work stoppage.

[Reporter] These were statements by AEAS representative Teodoro Gonzalez confirming that 90 percent of buses in San Salvador have joined the labor stoppage. As we said before, there are traffic jams in downtown San Salvador. Gas station owners in the eastern part of the country have also begun a labor stoppage demanding larger profits from the sale of fuel.

Government Confirms Holding FMLN Mexico Talks

PA2910195290 San Salvador Radio Cadena YSU in Spanish 1800 GMT 29 Oct 90

[Text] We have a last-minute report: President Alfredo Cristiani confirmed this morning that delegations of the government and of the Farabundo Marti National Liberation Front [FMLN] have been meeting since yesterday in an effort to find new mechanisms that will accelerate the process of dialogue and negotiations between the parties.

The president said that the meeting, which is taking place in a Mexico City hotel, is at the request of the mediator, Alvaro de Soto. The president did not, however, rule out that direct meetings might be held between the two negotiating delegations. He also said that there is a possibility that there might be some changes in the schedule of the talks slated for 4 November, inasmuch as the Mexican Government might not be available for that date, which was initially stipulated by both parties.

[Begin recording] [Cristiani] This meeting is being held with a small group at the request of Dr. De Soto in an effort to accelerate the process of negotiations. In this meeting, they will try to agree on new procedures concerning these negotiations. Everything else concerning the talks continues the same. The Mexican Government, however, has reported that the possibility of holding talks on 4 November is somewhat difficult as the government has several days off during that week. The government would prefer having the talks held two days later. Up to now, there are no changes. This meeting is only for the purpose of discussing procedures.

[Reporter] [Question indistinct]?

[Cristiani] This is not complete, but it is a small meeting. [end recording]

Cristiani announced that Colonel Mauricio Ernesto Vargas and Justice Minister Dr. Oscar Santamaria are attending the preparatory meeting in Mexico on behalf of the government. Cristiani declined to give further details.

Guatemala

Talks Between Guerrillas, Others End in Mexico

PA2910210390 Madrid EFE in Spanish 0315 GMT 29 Oct 90

[Text] Atlixco (Mexico) 28 Oct (EFE)—The guerrilla, grass-roots and other social organizations, and the Guatemalan National Reconstruction Commission (CNR) stated here today that they are optimistic about the results of the dialogue process being held to end 30 years of civil war.

These talks, which ended today, were held at the Metepec resort in Atlixco, Pueblo, in eastern Mexico. The different parties that attended these negotiations

expressed their will to continue to search for peace, through dialogue, in Guatemala.

The sectors that participated in the Mexico round of talks issued a joint communique wherein they agree to promote "all the necessary mechanisms to advance the democratic process and eliminate the economic, political, and social problems affecting most Guatemalans."

The parties acknowledged the effective mediation of the CNR and the United Nations during these negotiations. The social sectors and the guerrillas promised to respect the Oslo agreements, which establish the basic terms under which peace is to be sought through political means.

In the Mexico statement, the Guatemalan National Revolutionary Unity (URNG) expressed its satisfaction with the "ample response" given to the dialogue process by all the sectors that participated. The URNG said this response will allow us "to search for a national consensus that will establish peace."

The URNG added that "it was pleased to accept the proposals presented by professional, academic, and business sectors and by cooperative organizations to promote the continuation of these talks."

The representatives of the cooperative, professional, academic, and business sectors expressed their willingness to continue participating in this process of negotiation to "attain a lasting and firm peace that will result in a functional and participative democracy."

The social sectors "demanded respect for human dignity within a democratic and legal system."

To end this report, a spokesman, who asked to remain anonymous, asserted that there was a possibility that the URNG, the CNR, and the Guatemalan grass-roots and social sectors will meet with Guatemalan President Vinicio Cerezo Arevalo in November 1990.

The purpose of the meeting is to inform the Guatemalan President of the results of the Mexico negotiations and attempt to coordinate direct talks between the government, the guerrillas, and the Army.

DCG's Cabrera Admitted to Houston Hospital

PA2910225090 Hamburg DPA in Spanish 2205 GMT 29 Oct 90

[Text] Guatemala City, 29 Oct (DPA)—Alfonso Cabrera Hidalgo, presidential candidate for Guatemala's Christian Democratic Party [DCG], has been admitted to a Houston, Texas hospital on an emergency basis, the party reported today.

Cabrera suffers from acute pancreatitis, which forced his being admitted to a Guatemala hospital on Wednesday. His doctors deemed it best, however, to send him to Houston.

The elections will be held on 11 November and, although it is believed that Cabrera could return to Guatemala earlier, his health could affect the votes he receives. Meanwhile, vice presidential candidate Marco Antonio Villamar has taken the initiative in the presidential campaign due to Cabrera's illness.

Two DCG Leaders Kidnapped, Murdered

PA2910235790 Panama City ACAN in Spanish 2305 GMT 29 Oct 90

[Text] Guatemala City, 29 Oct (ACAN-EFE)—Two leaders of the ruling Guatemalan Christian Democracy (DCG) were kidnapped and murdered today, and their bodies were thrown from a vehicle in the northern sector of the capital city. This was reported by party sources.

The victims are Wilberto Aguirre, DCG secretary of organization in Agua Blanca; and Cesar Augusto Pellecer, party leader in the same town.

The bodies of the politicians were left in an empty lot by a group of unidentified persons who were traveling in a black station wagon.

The DCG sources added that "witnesses who saw what happened reported that the persons who were in the car got out and fired the coups de grace."

The bodies show several bullet wounds to the body and head "as well as the coup de grace to the temples," the same source added.

According to DCG sources, Aguirre and Pellecer were kidnapped this morning when they arrived in Guatemala City from Agua Blanca.

Approximately 20 political leaders and journalists have been murdered in the past few months in Guatemala since campaigning for the 11 November elections began.

Leading Journalist Seriously Wounded in Attack

PA2610182690 Panama City ACAN in Spanish 1735 GMT 26 Oct 90

[Text] Guatemala City, 26 Oct (ACAN-EFE)—The wife of the director of an independent Guatemalan weekly died today of a heart attack after seeing her husband seriously wounded in an attack carried out by unidentified persons in Guatemala City.

According to early reports, Byron Barrera, director of the independent weekly ACEN-SIAG [Central American News Agency and Guatemalan Information and Research Service] and vice president of the Association of Guatemalan Journalists (APG), was driving from his home to his office when he was attacked.

The journalist, who was wearing a bullet-proof vest, was shot in the neck several times and is fighting for his life at a private hospital in Guatemala City.

Refugio Villanueva, Barrera's wife who was not harmed during the attack, died of a heart attack when she saw her wounded husband.

Barrera was director of LA EPOCA, a newspaper that is no longer in circulation. The LA EPOCA offices were burned down by unidentified persons in 1987.

Because of death threats he had received, the Guatemalan journalist lived in exile in Costa Rica and Mexico during the military government of Romeo Lucas (1978-1982). He returned to the country in 1986 when Christian Democrat Vinicio Cerezo assumed office.

Further on Attack

PA2610201190 Guatemala City Radio Fabulosa in Spanish 1800 GMT 26 Oct 90

[Text] Last-minute report: There has been an attack against Byron Barrera Ortiz, vice president of the Association of Guatemalan Journalists, APG.

Gunmen attacked Barrera Ortiz this morning at the intersection of Aguilar Batres Boulevard and 35th Street in Zone 11. His wife, Refugio Aracely Villanueva Figueroa de Barrera, died in the incident and another person who was accompanying them was wounded.

Two men riding a motorcycle approached the vehicle driven by Byron Barrera Ortiz as it stopped in front of a red light and shot him at close range, wounding him in the neck and chest.

Barrera was driving his Korean-made car, licence plate 249750, when he was machine-gunned. He was taking his wife to her parents' home and then he was to go to ACEN-SIAG [Central American News Agency and Guatemalan Information and Research Service], his news agency, located downtown.

Barrera was machine-gunned. Apparently his attackers followed him from his house located in Panorama neighborhood, San Cristobal.

A few minutes ago it was reported that Barrera's wife was taken to the morgue in zone three after a judge ordered that the corpse be moved.

Barrera Ortiz is in a critical state at the intensive care unit of the Bella Aurora private hospital due to wounds he suffered in an attack today at 0930. His wife died in the incident.

According to reports, Barrera's condition is still critical, as he was seriously wounded in his neck and chest. Doctors believe that Barrera may be out of danger in approximately three hours.

[Panama City ACAN in Spanish at 1926 GMT on 26 October carries a report stating that official sources confirmed that Barrera's wife died from bullet wounds and not from a heart attack.]

Bombs Planted in Vicinity of Media Outlets

PA2810145790 Guatemala City SIGLO VEINTIUNO in Spanish 23 Oct 90 p3

[Text] A Guatemalan National Revolutionary Unity [URNG] propaganda bomb exploded [dispersing propaganda leaflets] last night in downtown Guatemala City and another bomb, from the Guatemalan Labor Party [PGT] and the URNG, was disarmed in Zone 2. The two bombs were in the vicinity of media outlets.

At 1915 a box was found hidden behind the left rear tire of a station wagon parked between 1st and 2d Streets on 9th Avenue, Zone 2. The letters PGT were visible through a small opening in the box. The vehicle, which bears license plate 161480 and belongs to Roberto Barraza Matal, was parked in front of the Clinica Laboratorio Dental, building number 0-12.

An anonymous telephone caller had told municipal firemen that the bomb was on the second floor of Radio Progreso, which is in an adjacent building.

Police and firemen hurried to the site and, after searching inside and outside the Radio Progreso building, located the box containing the PGT leaflets. Demolition experts disarmed the device.

While this activity was under way, radio patrolmen were informed that another bomb had gone off on 9-A Street between 1st and 2d Avenues, Zone 1. In effect, URNG militants had placed a bomb at the entrance to an alleyway which bears the number 1-46. When the bomb exploded, it scattered URNG leaflets throughout the area.

The explosion startled residents and brought security forces scurrying into the area. The evening newspaper LA HORA is located on that block. The leaflets carried material commemorating the 41st anniversary of the PGT (28 September 1941-1990). [number and dates as published]

The URNG flyers read: "The democracy that the people need. - An end to military control in the cities and the countryside. - Freedom of expression and freedom to organize for the popular sectors. - Respect for life and for human rights. - An end to repression. - Respect for the rights of the Indian tribes and guarantees for their full participation in the country's political activities. - An end to the Army's control over the nation's destiny. - This is the way to true democracy. Dialogue is struggle, it is not surrender."

Honduras

Gen. Cantarero Discusses Military Situation

PA2910044790 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 19 Oct 90

[Report on statements by General Arnulfo Cantarero Lopez, commander in chief of the Armed Forces; place and date not given—passages in italics are recorded]

[Excerpts] [passage omitted] Referring to the deployment of Honduran troops to the Persian Gulf, General Cantarero has said the following:

[Cantarero] *The Constitution states that the president may order the deployment of troops abroad as part of a peace contingent with Congress' approval. The troops we are about to deploy to the Persian Gulf are ready. Undoubtedly, many people will say that they are going to a hostile climate. Our soldiers, however, can adapt to different situations. I do not believe we are going to go into combat. We are only going to be present there. This has been the case for other countries. Our presence is meant to encourage the conflicting sides to find a peaceful solution. Undoubtedly there are caricatures of a tiger going to die in the desert and things of this nature. These are media reports that are really meant to insult our Armed Forces over any isolated incident that may take place.*

Asked if Honduras will have to pay for the deployment of these troops to the Persian Gulf region, the general said:

[Cantarero] *Honduras will not have to pay a single cent for the deployment of these troops. It will actually gain because the soldiers who go will be paid in dollars; it means extra money for them. It will not be the salary we earn here. In this case, the interested countries Kuwait and Saudi Arabia have offered to pay for this. We also have the international organization, the United Nations, which you mentioned. If Honduras uses its planes, its ammunition, and its people, everything will be paid back. The people should not, therefore, have any doubts or fears that Honduras will have to pay extra money for this, even though we are in a difficult situation. It will not cost the country anything. Instead we are going to get experience and prestige by participating in this type of activity.*

When the commander in chief of the Armed Forces was asked about the type of troops he will send to the Persian Gulf region, he answered:

[Cantarero] *That depends on how they want Honduras to participate. If they only want military observers, only a few officers would be sent. If a complete contingent is required, we have the ability to send a company of some 160 men with their respective individual equipment. If it is necessary to carry heavy equipment, I believe it will either be leased or made available by another country, a third country.*

We asked the commander in chief when the Honduran troops will be ready to leave for the Persian Gulf.

[Cantarero] *We are ready to go. If we get the order now, we can leave within the next 48 hours.*

As for the changes that have taken place in several military units, General Cantarero said:

[Cantarero] *There were other changes made before these ones. Some newspaper published information about these changes. I do not know why this situation was exaggerated. They mentioned the word purge. That no longer exists. Colonel Fonseca was very clear in his statements. That is a thing of the past. If purges were made in the past, they are no longer taking place. The changes are routine. In the next few months, you will see more changes, and it does not mean the entire Armed Forces are being purged. We are going to try to do it this way to avoid making all changes at once at the beginning of the year, when some go this way and others go that way and a mess is created. I am going to make progressive and periodic changes so that we do not have that kind of problem in the beginning of the year.*

We insisted that General Cantarero further explain the changes and he answered:

[Cantarero] *I was elected by the Higher Council of the Armed Forces, and the National Congress gave the finishing legal touches, which you know about. I think it is a thing of the past to speak of military coups against the president or coups against a commander in chief. We are in a world that has changed and that has different dynamics, so that is not possible. I do not think any fellow soldier, no matter how ignorant, will carry out an action that was common in the past. Things have changed and I believe we are a solid group. We are strictly a disciplined and hierarchical group. The one on top gives the orders. We all obey his orders. If the orders are incorrect, we talk about it at the Higher Council of the Armed Forces, where these discussions take place so that we do not continue making mistakes.*

Gen. Cantarero was told that some of the officers said they were dismissed because they did not agree with the policies he has been adopting in the institution.

[Cantarero] *Col. Amaya and [name indistinct] are not members of the Higher Council of the Armed Forces. Col. Amaya was a former member, but he no longer heads a unit. Even if the two or three officers did make some remarks—and I doubt they did—this does not mean we are about to change our policies in this regard. I am commander in chief. The doctrines and the policies that are implemented are not exclusively dictated by me. I have a group of immediate advisers. I have the joint chiefs of staff, the [words indistinct] staff, and commanders. The doctrines that are dictated are not exclusively those of Gen. Arnulfo Cantarero, commander in chief. They are the result of a consensus and the ideas of a group. So those are mere speculations and rumors. Perhaps their goal is to harm the unity in the Armed Forces. The changes that have taken place have contributed to a greater degree of unity. The reduction of the budget has created great problems in the Armed Forces, but we have faced these problems with courage and with love for Honduras because we are Hondurans before anything else. I believe this group unity is stronger than ever, so I rule out these speculations.*

We asked Gen. Cantarero if the Honduran Armed Forces will provide all their support to the Public Security Force [Fusep] so that the police corps can fulfill its objectives.

[Cantarero] *Yes, our main task is to restore public order. That is why this administration has given greater support to Fusep. When we came to this post, we were concerned about Fusep, described by some as the dark spot of the Armed Forces, because of the nature of its job. That is understandable. That is why changes have been made in the Fusep. Changes are constantly made. We want these forces to have the prestige that the other forces have. Undoubtedly, this is a long-term process, but we are going to lay the foundation now so that in the future, the people will be able to trust Fusep and cooperate with it. We do not want Fusep to be seen as a repressive body that carries out activities against the population.*

As for the U.S. military aid to our country, the commander in chief of the Armed Forces said:

[Cantarero] *The United States has not yet approved the budget for fiscal year 1991. We have been told on different occasions that the aid will be reduced. We are prepared for that. If that is the case, there is nothing we can do. We are going to have to cut down on some activities that we are currently carrying out. I want to tell you that the U.S. military aid is very valuable for us.*

The Central American region insists on the reduction of its armies, but the situation in Nicaragua and El Salvador is not yet clear. We asked the commander in chief of the Honduran Armed Forces about his viewpoints:

[Cantarero] *I have publicly stated that problems have not ended here yet. Problems still persist. If the presidents of the Central American countries insist, however, on the reduction of the armies, let me tell you that we, as the smallest army in the region, would practically suffer no reductions. If it were still necessary to cut down, however, we are ready to obey the orders from the president and the National Congress.* [passage omitted]

Gen. Cantarero Lopez gives a final message to the listeners of this station.

[Cantarero] *I would like to tell you before leaving that you were invited here because we believe you are journalists that represent serious news media, which operate in a professional manner. I know there are some bold and daring media that, in a premeditated manner, distort the news. They give the wrong impressions to the population. I want to tell you that the Armed Forces is an open institution. It is composed of people from all walks of life. We are relatively young professionals. We are well trained and want to contribute to the efforts the government is making to move this country ahead. You journalists, please help us. If we make a mistake, let us know, but do not try to denigrate us because if a person is treated well, he will treat you the same way. We want to be friends. Most of all, we want to be good citizens.*

Nicaragua

FNT Leader Views Results of National Dialogue

PA2910160490 Managua BARRICADA in Spanish 27 Oct 90 pp 1, 5

[Text] Assessing the results of the national dialogue, Lucio Jimenez, coordinator of the National Workers Front, has said: "We obtained the strengthening of social peace and the stability of families because we were able to halt unemployment, guarantee plots and housing for citizens, and establish that workers and producers will soon be paid in gold cordobas."

Jimenez, who led the representatives of five trade union confederations and two professional organizations, said they received a mandate from their rank and file to actively and constructively defend the people's rights and achievements in the national dialogue.

"After a broad effort and intense consultations and discussions, we obtained an agreement within the extent of the possibilities. It opens up a new form of struggle for Nicaraguans, given that the struggle continues," Jimenez told the national dialogue meeting.

Among the agreements "to be defended by the people," Jimenez listed the payment of the 13th month bonus, equivalent to 100 percent of the last salary, the establishment of preferential rates for water, electricity, and sewage services, and the commitment to establish a minimum wage based on a basic food basket of 53 products.

Jimenez also stressed the government's commitment to maintain the real value of the health and education budgets for this year next year. They also agreed to fulfill the tripartite agreements previously signed for the financing of the textile and construction industries.

"We established that the signed collective contracts will be respected and will be fulfilled by all sides, that the workers will participate in the ownership of enterprises, and that small, medium and large industries will be financed," Jimenez added.

Upon ending his brief speech, Jimenez said that "the national dialogue has begun. It has not ended. The national dialogue opened the possibility for a series of agreements that must be fulfilled by all sides. We can say, therefore, that the struggle continues."

Cosep Explains Position on Concerted Agreement

PA3010025890 Managua LA PRENSA in Spanish 27 Oct 90 p 2

[Report by Julio Cesar Armas]

[Text] None of the 14 organizations that comprise Cosep, the Higher Council for Private Enterprise, signed the concerted agreement, Cosep President Engineer Gilberto Cuadra has stated.

We did not sign, he added, because there was no willingness to seek an atmosphere of tranquility and peace which the country needs—that is, the trust that is achieved through egalitarian justice for all the citizens in this country, he explained.

Cuadra emphasized: Peace can only be attained with justice, and that implies implementation of Decree 11-90, which was signed by President Violeta de Chamorro with the best of intentions. Now every attempt is being made to impair the decree by allowing the implementation of the previous government's decrees 85 and 86, which protect all the immorality, injustice, and dirty tricks that the Sandinists perpetrated against the Nicaraguan people's possessions.

We had agreed to form a juridical commission to totally or partially reform some laws, to completely derogate them, or to create new ones that would guarantee a true de jure state that enjoys national and international trust—but that point was omitted from the final document, Cuadra said.

Cosep believes that the concerted agreement is like a beautiful castle in the air, which lacks the necessary foundation to be permanent and to bring the tranquility, social peace, justice, and honesty that these people deserve from their rulers, he added.

Cuadra also reported that Cosep will hold a news conference on Tuesday 30 October to clearly state—for the record—its patriotic, unselfish, and just position. "We will expound on and explain our position," he emphasized.

New Shifts in UNO Alliance Reported

PA2810033890 Managua BARRICADA in Spanish 24 Oct 90 pp 1, 5

[Report by Roberto Larios]

[Text] Managua Mayor Arnoldo Aleman has broken his political alliance with Nicaraguan Vice President Virgilio Godoy. The break came after Aleman's candidate for the post of president of the Independent Liberal Party [PLI], Jaime Bonilla, was defeated in recent party elections, sources close to the Nicaraguan vice president have reported.

Aleman financed Bonilla's PLI election campaign with Managua taxpayers' money, but Godoy's candidate still defeated Bonilla in the 14 October elections.

Mayor Aleman, who is the leader of the Liberal Constitutionalist Party [PLC], one of the four factions of the Liberal Party, had signed a secret agreement with Bonilla. In line with this agreement, if Bonilla had been elected PLI president, he would promote Aleman for the 1996 presidential candidate as "the grand leader of Liberal Party unity."

On 11 October, three days before the elections, the office of the mayor of Managua assigned, through a journalist, 200 million cordobas to organize at the National Assembly a news conference promoting Bonilla, taking advantage of the fact that regular National Assembly sessions are attended by many national and foreign newsmen.

Godoy, however, found out about the maneuver and denounced the situation to all the party offices in the department. He even provided pictures and documents linking Bonilla with activities in support of the government, and pointing at him as a "traitor" and "collaborator."

As a result of this, Bonilla was crushed by Godoy at the PLI assembly.

Aleman was the big loser in the PLI elections, with Godoy finally stepping down from the party presidency only to hand it over to Wilfredo Navarro, one of his disciples.

The division in the Liberal Party family comes at a moment when the National Opposition Union [UNO] coalition has made a slight move of rapprochement toward the government, and the coalition's "Political Council," under the control of Godoy, has significantly lost weight in the country's political life.

Alfredo Cesar [another UNO leader] has been using his influence in the government and working earnestly to break Godoy's hegemony in the 14-party UNO coalition.

UNO politicians who are followers of Godoy and who function in the framework of his policy of confrontation with President Chamorro have found that they cannot get any government post. This has forced political leaders "to stop and think," and to accept "the rules of the game" set by the executive.

Already eight UNO parties follow Alfredo Cesar's directions at the Assembly. This is the equivalent of more or less 40 representatives at the Legislative Assembly. A well-known Liberal Party deputy explained the situation by saying: "If as a deputy I am unable to get a fellow party militant a job as a rural teacher in Somoto, and if I cannot even register a cattle brand in Chontales, then what the hell am I doing here!"

Cesar's tactics are simple. His office and the offices of his aides in the Assembly are usually the most visited ones. Problems such as the release from prison of a common criminal, the signing of contracts with private enterprises, and the securing of important positions in the Tourism Institute and in other state institutions are resolved there. In exchange, Cesar gets unconditional support for the government.

For the time being, Cesar has been able to stop Godoy's offensive, but now he is facing a new and more difficult opposition—that of Miriam Arguello, who as president of the National Assembly has a significant amount of power.

Right now Arguello has two problems. On the one hand, she is being accused of treason by the UNO Political Council for having agreed with the Sandinists to take the

national dialogue issue to the National Assembly, the political forum par excellence. By doing this, the veteran politician pushed Godoy, who at the time was threatening to forcefully seize the Presidency of the country, "out of the game" and put the "Political Council" in a difficult position.

Miriam Arguello is also being accused of "flirting" with the Sandinists because she has abandoned the policy of confrontation with the Sandinist National Liberation Front [FSLN]. Her adversaries in the government say that she expects to reach an understanding with the Sandinists, something at which she is, according to them, an expert.

Alfredo Cesar has increased his maneuvers against Arguello by supporting a movement "for the unification of the conservatives." This movement promotes the unity of four conservative parties that supposedly lend the government's policies their unconditional support.

This movement, which is being led by Fernando Zelaya, alias "the Devil," along with Fernando Aguero Rocha, Emilio Alvarez Montalvan, and other veteran politicians, is promoting the total isolation of Miriam Arguello as well as her eventual dismissal from the leadership of her party—the Conservative Popular Alliance—and from the Presidency of the National Assembly.

According to Cesar's estimates, Arguello has the support of only ten National Assembly deputies, and he can count on 43, including Moises Hassan and the Yatama [Miskito, Sumu, and Rama Indians and Creole Organization] deputy.

If this situation persists, the FSLN deputies would be the deciding force in the elections for a new National Assembly board of directors that will take place early next year. With their 39 sure votes, they would need only the support of eight other deputies to make the candidate they decide to back a winner. This could mean, of course, a new term at the National Assembly Presidency for Miriam Arguello, if she consolidates her current pragmatism.

This week marks the beginning of the last two months of the current legislative period, which will end on 21 December. It also marks the beginning of a period of intense political activities on fundamental issues such as the general budget, the bills resulting from the national dialogue, and of course, the discussions on the reforms to the General Statutes of the National Assembly. The term in office of the board of directors to be elected will be established in the framework of these discussions.

Assembly Deputy Comments on Meeting With Aronson

PA2910225190 Managua Domestic Service in Spanish 1825 GMT 29 Oct 90

[Text] Deputy Edmundo Castillo, who heads a delegation of deputies which is presently touring the United States, seemed pleased this weekend after meeting with Bernard Aronson, assistant secretary of state for Latin American Affairs [title as heard]. In a telephone interview, Dr. Castillo said that in his meeting with the high-ranking U.S. official, they discussed topics of common interest, such as the economic aid that the United States will continue to give Nicaragua through bilateral and multilateral agreements. The Nicaraguan deputy said that the work of the United States has been positive and that it has a political resolve to help our country. Let us listen:

[Begin recording] [Castillo] The deputies who took part in the meeting were Dr. Moises Hassan, Allan Zambrana, Luis Humberto Guzman, and others. Our work was very positive and the meeting we held with the assistant secretary had positive results. The first positive idea was [seven-second break in reception] ....at a high government level, as explained by the assistant secretary, that Nicaragua still [five-second break in reception]. The second positive thing is that the Sandinist Army is (?no longer) aiding the Salvadoran guerrillas [four-second break in reception]. The most interesting thing we noted was that economic aid for the Nicaraguan people is forthcoming. There will be economic development. Not only the United States, but other countries will also participate in providing that aid, such as Spain, Japan, and Mexico. A group of countries are getting together to aid Nicaragua. Even more interesting is the fact that aside from the Caribbean Basin Initiative, which President Reagan developed, there is the Bush Initiative and the U.S. Government's political resolve to help in Nicaragua's economic development.

[Reporter] What is your impression of other congressmen you met in Washington?

[Castillo] We have found a very receptive atmosphere with much understanding about all the things happening in Nicaragua. We also found a political resolve to help the Nicaraguan people. We can say with satisfaction that our work as assembly members has been heard and encouraged. The delegation behaved as professionally as expected and explained our situation with dignity: that Nicaragua needs economic development.

[Reporter] We understand that the Nicaraguan National Assembly is to receive technical and other types of assistance. Can you expand on this?

[Castillo] In addition to the National Assembly, the Nicaraguan people, through international organizations, will also receive aid. We also took the opportunity to present the plight of exiled Nicaraguans. Nicaraguans right now have a very serious problem; their work permits are still pending. We believe that despite the need for the Nicaraguan family to be together, there are people who have private economic problems and cannot return to their country for one reason or another. Our delegation's role was positive and in accordance with our dignity as National Assembly representatives. We tried discussing all the problems. We have been heard and we

believe that the economic development that our people needs is being promoted in the United States. [end recording]

Panama

Bar Association Warns Against Treaty With U.S.

PA2910172490 Panama City LA ESTRELLA DE PANAMA in Spanish 27 Oct 90 pp 1, A-2

[Letter from National Bar Association President Jose Alberto Alvarez to Foreign Minister Julio Linares; date not given—quotation marks as published]

[Text] Your Excellency

Foreign Minister Dr. Julio Linares

Dear Minister:

In response to your letter no. 335 of 17 October 1990, I am providing the opinion of the National Bar Association [CNA] regarding the draft cooperation agreement between the Panamanian and U.S. Governments on the investigation of crimes.

You must be aware that the CNA recently held the fourth National Congress of Lawyers. The aforementioned draft agreement was one of the points discussed at that event, which is the highest democratic expression of our profession. After two days of discussions, the respective commission, which was chaired by Dr. Jose Angel Noriega, presented a report to the congress. This report was approved unanimously and without modifications. In this regard, this is the text of what was agreed upon by the fourth National Congress of Lawyers. Let us see.

"The U.S. Government has incorporated into its foreign policy the achievement of bilateral agreements with various countries to permit the investigation, prosecution, and prevention of crimes. Agreements of this type have been already reached with Mexico, Switzerland, the Bahamas, the Caymans, Great Britain (to be applied in its colonies such as the British Virgin Islands), among others. It is also negotiating agreements with Peru, Colombia, Honduras and, of course, Panama.

In our case, the negotiation of a legal assistance treaty came as one of the conditions for the grant in aid agreement signed by Panama and the United States. We will later refer to the current state of these negotiations.

The United States has proposed to Panama an agreement that, if signed and approved, would leave Panama's service center at a great disadvantage compared to other service centers, such as the Bahamas, the Caymans, and Switzerland.

The agreement proposed to Panama includes all types of crimes, whether or not they are crimes in Panama. As a result, according to the proposed agreement, the nonpayment of U.S. income taxes, which is a crime in the United States, would give the U.S. authorities the right to undertake investigations in the Panamanian banking center. The disastrous consequences of this are easily foreseeable. The determination of what is a crime is, therefore, the fundamental issue of the agreement.

The writer of these notes advocates the position that the Republic of Panama should not sign any legal assistance agreement with the United States. The reason is that the Republic of Panama has already passed legislation directed at prosecuting both drug trafficking and money laundering, and since the creation of the banking center, legal measures have existed to permit the lifting of banking secrecy in criminal cases.

We believe that our internal laws cannot be improved to make the prosecution of certain types of crime, especially those dealing with drug and arms trafficking, more expeditious.

We are convinced that the signing of any agreement is a step in the wrong direction and that however limited such an agreement is, Panama's image as a banking and service center would always be affected, especially given the close relation our country maintains with the United States.

Because of this, commission No. Four proposes the adoption of the following resolution:

"The National Congress of Lawyers expresses its deep concern over the imminent signing by the Republic of Panama of a Legal Assistance Treaty with the United States in view of the fact that the necessary and sufficient legal provisions and institutions already exist in our country for the investigation, prosecution, and prevention of international crimes, especially those dealing with drug trafficking and other crimes against humanity. Such provisions have been applied and have shown their effectiveness on numerous occasions. The signing of a Legal Assistance Treaty with the United States is, therefore, unnecessary and inappropriate and could gravely harm the national economy. On behalf of the best interests of the Republic of Panama, the National Congress of Lawyers urges the executive branch to refrain from signing such a treaty with the United States, and it urges the legislative branch to refrain from approving it, if it is sent such a treaty."

You also possess documents in support of the CNA's position which were issued by the Central American and Caribbean Federation of Bar Associations. We are now sending you what is known as the Oaxaca Declaration, which is the document approved by the first extraordinary assembly of the Latin American Confederation of Bar Associations. We have been favorably received by the most prominent lawyers of the continent in all these international events in which the CNA has participated and in which it has had the opportunity to explain the position of the Panamanian lawyers.

Our association firmly and emphatically maintains its position that drug trafficking must be fought to the end. In this regard, equal firmness must be used to punish the

producer, processor, and consumer—in other words, all those involved in the chain of producing those substances, which must be viewed as a crime against humanity. What we cannot accept is that our banking and service center be destroyed under the pretext of combating that universal scourge.

Minister, I am also attaching an opinion issued by Dr. Carlos Alfredo Lopez Guevara [well-known lawyer and former canal treaty negotiator] to one of his clients. Before sending you this opinion I consulted Dr. Lopez Guevara and he gave his permission. We will subsequently send you the opinions of other prominent Panamanian legal experts.

The Panamanian lawyers almost unanimously agree that the treaty is unnecessary. If its negotiation is imperative, however, there must be consultation about Panama's best interests.

Business Group Opposes Treaty

PA2910182890 Panama City LA ESTRELLA DE PANAMA in Spanish 28 Oct 90 pp A1, A2

[Text] Objecting to the crime investigation agreement with the United States, the Panamanian Association of Business Executives (APEDE) has stated that "it is worrying that 10 months after the democratic process began, unemployment continues as the main problem in our country. This threatens the very existence of the democratic government that we fought so hard for."

The letter addressed to Foreign Minister Dr. Julio Linares states: Panama, 26 October 1990 His Excellency Doctor Julio Linares Foreign Relations Minister

Dear Minister:

We acknowledge receipt of your letter, dated 17 October, in which you submitted to us a copy of the Crime Investigation Agreement Between Panama and the United States of America [Investigacion de Delitos entre Panama y los Estados Unidos de Norteamerica].

After consultations with our legal commission and the board of directors of APEDE, we hereby express to you the following considerations:

It is worrying that 10 months after the democratic process began, unemployment continues as the main problem in our country. This threatens the very existence of the democratic government that we fought so hard for. We believe that the signing and ratification of the aforementioned agreement would adversely affect the rate of unemployment, particularly in Panama City, where the international financial center is located.

We must bear in mind that the Panamanian economy is mainly dependent on services. The Panama Canal, the Colon Free Zone, the banking center, and the reinsurance center are, among others, important employers. Since 1988 the banking center and the reinsurance center have been seriously hurt by the economic sanctions imposed by the United States on the dictatorial regime.

We believe that the signing of the aforementioned agreement, far from resolving our problems, will worsen them. By giving the U.S. Justice Department free access to any bank account, regardless of the account holder's probity, the confidentiality of the banking center would be destroyed. This in turn would spark the likely exodus of large numbers of depositors, which would endanger many jobs. These costs would not be compensated by the benefits of the U.S. economic aid conditioned on the signing of this agreement.

The Government of the Republic of Panama has already taken specific steps to enforce the existing legislation and create new controls against drug trafficking and money laundering, among others. We as well as the government do not believe in impunity for crime.

We recommend that the government, should the signing of the aforementioned agreement be necessary, consider the following:

1. Fiscal and related crimes should be excluded from the agreement.

2. The crimes investigated will have to be considered as such in both countries.

3. The investigation should be requested based on a fiscal investigation per Panamanian law and an "indictment" per U.S. law.

4. The text of the agremeent should be in both English and Spanish, closely adhering to the juridical language of the Panamanian legal system.

5. The crimes should be strictly listed and defined.

6. It will be necessary to create a special entity with the necessary authorization, not the Attorney General's Office, to determine whether Panamanian authorities should proceed with the cooperation request.

7. The costs of crime investigations should be paid by the requesting nation.

8. The United States must not demand that Panama provide more assistance than other countries with financial centers.

9. The investigations should refer to crimes that have not exceeded the statute of limitations in the country from which the information is requested. 10. The agreement should be approved by the Legislative Assembly as per article 153, paragraph 3, of the National Constitution.

11. The investigations should be subjected to the laws and regulations of the country from which the inforamtion is requested.

With all due respect and appreciation, Sincerely yours, Walter Luchsinger Acting President APEDE

Kozak Visit Announced, Government Counterproposal

PA3010033390 Hamburg DPA in Spanish 0153 GMT 30 Oct 90

[Text] Panama City, 29 October (DPA)—An official source reported here today that Michael Kozak, deputy secretary of state for Inter-American Affairs, will visit Panama this week to continue negotiations between Washington and the government of President Guillermo Endara on a mutual legal assistance treaty.

The treaty is opposed by professionals, businessmen, and the powerful Panamanian Banking Association because they feel that it affects the activity of corporations and would lead the international banking center to bankruptcy, a center that handles more than $30 trillion in deposits, through more than 100 established banks in Panama.

This would be Kozak's sixth visit to Panama in two months to discuss the mutual legal assistance treaty with the Endara government.

For its part, the Panamanian Government drafted a counterproposal excluding assistance in investigations that are directly or indirectly related to tax regulation, application, calculation, and collection.

"As Panama's president, I will never yield to this type of pressure. I will never sign a treaty that is being pushed down our throats like a laxative," Endara told THE BALTIMORE SUN.

According to Panamanian observers, discussion of this legal treaty is one of the reasons the U.S. Government has unleashed a big campaign against Endara through the Panamanian media.

U.S. Citizen Wounded in Shoot-Out in Colon

PA3010032590 Mexico City NOTIMEX in Spanish 0258 GMT 30 Oct 90

[Text] Panama City, 29 Oct (NOTIMEX)—The police have reported that a shoot out among alleged gang members today in Colon, a city located on the Atlantic coast, resulted in the deaths of five persons, including a Dominican woman, and the wounding of 13 persons, including a U.S. citizen.

The incident occurred in a densely populated neighborhood in downtown Colon, 85 km northeast of Panama City. It is believed that it was a "territorial dispute" among common criminals, the source added.

Dominican citizen Maria Lacruz was killed and U.S. citizen Gregory Barell was wounded in the shoot-out that lasted approximately half an hour.

The preliminary police reports state that among the wounded are five women and four men, all Panamanian citizens.

Unofficial reports indicate that the incident is allegedly linked to drug trafficking, because over the past few months, antinarcotics police have seized large amounts of drugs in that city.

The Judicial Technical Police in Colon have said that the shooting is still being investigated.

Communique on Marchosky 'Corruption' Charges

PA2910183790 Panama City LA ESTRELLA DE PANAMA in Spanish 27 Oct 90 pp A-1, A-2

[Communique issued by the Government and Justice Ministry in Panama City; date not given]

[Text] We consider it necessary to issue the following communique in reply to statements by Magistrate Eusebio Marchosky, president of the Directorate for the Recovery of State Property, of the Comptroller General's Office, who mentioned affairs to do with the Government and Justice Ministry:

Any Comptroller General's official or an official from any public institution who has an interest in the affairs of other government institutions, before going to the media should first address his questions to his immediate superior, who in turn will channel it to the corresponding director or minister. This practice is not only basic for the proper working of the national government, but also constitutes a basic rule of behavior for a responsible public official.

Magistrate Marchosky should have addressed his queries to his immediate superior, the comptroller general, who would have replied as follows:

A. Recent National Police retirements had the verbal and written approval of the president of the Republic and the comptroller general. To say this is a case of corruption, such as Magistrate Marchosky has said, indicates a total ignorance of the steps that were followed in this case and is a serious affront to the president of the Republic and the comptroller general.

B. Furniture and household goods from Building No. Eight, located at Fort Amador, and where former General Noriega kept one of his main offices, is not a residence as Magistrate Marchosky says. These goods were turned over by the U.S. Army to the Justice Department which in turn handed them over to the National Police on 30 March. The police then turned these goods over to the Interministerial Committee for their proper disposal in accordance with Decree No. 38 of 10 February 1990.

The Interministerial Committee has distributed part of the contents, mainly furniture and office equipment, among the following pulbic offices: the Presidency, the Public Security and National Defense Council Executive Secretariat, CAD-Centroamerica [expansion unknown] offices, the National Culture Institute (INAC), Police Academy, the National Police Public Security and Supply Directorate [Direccion de Seguridad Publica y

Direccion de Proveduria en la Policia Nacional], the National Air Service, the National Maritime Service, the institutional director of public security, the Public Security Finance Directorate [Direccion Financiera de Seguridad Publica], the Office of Local Governments [Oficina de Gobiernos Locales], the Adminstrative Directorate and National Media Directorate of the Government and Justice Ministry [Direccion Administrativa y Direccion Nacional de Medios de Comunicacion Social del Ministerio de Gobierno y Justicia], and Coiba Correctional Center.

As one can see, Building No. Eight's furniture and household goods have been distributed accoding to the law. It is, therefore, irresponsible and biased for Magistrate Marchosky to say that the National Police has wrongly used this furniture.

C. The furniture and household goods from former Gen. Noriega's homes at Playa Blanca were packed in big wooden boxes by the U.S. Army and handed over to the Justice Department during the first months of 1990. They remain unopened, as received, at the National Police storehouse, and await disposition from the Attorney General's Office.

The Playa Blanca houses have been under exclusive National Police guard since 30 May 1990. Only once during this period, on 11 June, have goods been removed. This removal was made by the Comptroller General's Penonome office, according to the records sent to the comptroller general on 23 October.

To conclude, if Magistrate Marchosky had had the good judgment and the elemental courtesy to address his queries through the correct channels, he would have found out all of the above and he would have saved us time and effort which could have been better used in more productive activities for the country.

Marchosky Not To Resign

PA3010041590 Panama City EL SIGLO in Spanish 28 Oct 90 p 53

[Text] "If I resign, it is because this government is corrupt," said Eusebio Marchosky, chief magistrate of the Directorate for the Recovery of State Property (DRP). Marchosky was reacting to a rebuke by President Guillermo Endara to the effect that Marchosky should resign if he felt there was corruption in the civilian government. Marchosky did not know why the president is asking for his resignation instead of demanding an investigation of corruption.

"I challenge anyone to show me where it is written that I am not allowed to say what I have to say," said Marchosky, questioning comments by Acting Police Chief Ebrahim Asvat. The PRD magistrate explained: "The law states that Asvat cannot make decisions"—that is, as a police authority, he cannot make comments in public.

Regarding the controversy surrounding Building No. Eight on Fort Amador that was used by Manuel Antonio Noriega, and the contents of the house that were distributed among different government entities and officials, Marchosky noted "the chief of police is not the person to talk about this matter, because Asvat is not the one who has to explain, as that task befits a representative of the Tripartite Commission, or an interministerial commission, that disposes of all the goods in question."

"These goods have not been handled according to the law," he added. Yesterday, during a morning radio program, listeners called in to ask the whereabouts of the toilets in Building No. Eight, which people believe have gold inlays. President Endara said on 26 October that the toilets were given to low-income people.

"When Asvat explained the whereabouts of Noriega's goods, he read the inventory listed by U.S. soldiers following the December invasion. The goods were placed in crates, and, until now, the contents of the crates have gone from hand to hand without any verification," Marchosky stated. "This government, which is supposed to be very poor, still can find uses for Noriega's luxury goods, which seems to say that Noriega spent his money well," the DRP magistrate remarked, and added that such "is not Endara's role."

Mayin Correa, Arnulfist on 'Coup of Intrigues'

PA2910160390 Panama City Radio KW Continente in Spanish 1246 GMT 29 Oct 90

["The Word" program, hosted by Mayin Correa—live]

[Excerpts] [passsage omitted] [Correa] Last night I returned from the interior, and my friends told me I was to be arrested. I said, what? They told me some journalists were being arrested. They gave me a list of journalists to be arrested. Here it is. First, I saw a list in EL PANAMA AMERICA newpaper. Then I saw a list of other people. This must be a joke. They should inform the country, for God's sake.

The worst part is that the information is being given by the government. It seems the government is trying to undermine the peace of the government itself. The enemies of governments are always inside it; they are never outside. The open opposition is outside. Those inside the government are those who plot against the government with political intrigues. There is anxiety within the government and people who do not want their dealings to be uncovered. The Enemies are inside.

The list given to me last night includes: Aris de Icaza, so he could give the names of the policemen who were at the airport; Mayin Correa; Jaime Ortega; Julio Miller from Circuito RPC; Isaac Rodriguez from the IRHE [Institute of Hydraulic Resources and Electrification]; and Rolando Miller from Intel [National Institute of Telecommunications]. This is a nice group, is it not? This is a group of heavyweights. The president's enemies are right in front of him.

We are going to listen to one of the president's Arnulfist Party friends who was involved in this. Let us see what he says about the coup of intrigues. We have several things here. There is a coup of intrigues among Arnulfist Party members. This is an Arnulfist Party member who is being accused by one of the president's advisers. The former responds by saying the adviser is accusing him because he is afraid of being caught in the money laundering business. This man is said to be involved in the money laundering business, and he is a good friend of the president. He accuses Hernan Garcia, an Arnulfist notary. It was said that the president's right hand man, Carlos Young Adames, was in a meeting held by the coupists. This was a coup of intrigues promoted by the president's friends to divert public opinion and to overthrow the president. I believe friends, those inside, are the ones who overthrow presidents. It is not the opponents who criticize him. The people do not believe in the coup of intrigues. They believe in a coup to divert public opinion. They think public opinion is being fooled. This is incredible, incredible. Let us see what Hernan Garcia, who has also been accused of [words indistinct].

[Begin Garcia recording] First, I do not know who mentioned my name in this alleged plot against the president. [passage omitted]

Probably, these are people who were identified with the military narco-dictatorship. They are probably people who feel they have been uncovered and threatened because they were involved with the dictatorship. Their relations with military officers were very close. Today, as we mentioned earlier, these people feel they have been uncovered; then they launched these series of lies and deceptions to make the president believe that a group of Arnulfist Party members were trying to carry out a coup. That is completely false. They are trying to divide the Arnulfist Party so they can fish in a turbulent river, as we often say. I believe this situation deserves no further comment. I also think the people who are involved in this alleged coup against democracy, President Endara, and against our party are envious people. [passage omitted] [end recording]

Four Alleged M-20 Members Rob Bank

PA3010041790 Mexico City NOTIMEX in Spanish 0329 GMT 30 Oct 90

[Text] Panama City, 29 Oct (NOTIMEX)—Members of the alleged guerrilla group 20 December Movement (M-20) robbed a bank in Panama City today and took $50,000 in cash. This was reported by the bank manager.

Ernesto Lozano explained that four heavily armed men broke into the bank and, after identifying themselves as members of M-20, proceeded to loot the safe.

The alleged guerrillas then fled to an unknown location. Meanwhile, the police has said that it is investigating the robbery.

The police authorities have reported that more than 12 banks have been robbed this year and more than $1 million has been stolen.

The 20 December Movement, organization named for the U.S. invasion of Panama, has claimed responsibility for many robberies and dynamite attacks against government installations.

Argentina

Cavallo Reviews President Menem's Tour Abroad

PY3010030490 Buenos Aires LA PRENSA in Spanish 27 Oct 90 p 3

[Text] Moscow (TELAM)—It has been very difficult to interview Foreign Minister Domingo Cavallo during President Menem's trip abroad. When he was not with the president, he was either at political or economic meetings, particularly with businessmen.

A few hours before the end of President Menem's visit to the Soviet Union, however, Cavallo made some remarks to TELAM.

He termed this trip as "very important" since "contacts were made with Pope John Paul II and top Polish and Soviet leaders."

"In just a few days, Argentina has played an important political role to the benefit of our country, disseminating Latin American integrationist ideas advocated by President Menem," the minister said.

Cavallo added that at this moment "a new international order is being organized, and those responsible for the world expect that it will be an order for peace and progress."

"Argentina, and Latin America in general, is seen to be seeking participation in this new international order, with a very positive view both in the democratization and economic integration processes," he said.

Regarding Latin America, he said that "it is recognized as playing an active role. It is obvious that it is making efforts to change old state structures, to adapt them to the modern world of economic opening that will allow foreign and national investment in fluent trade with the whole world."

Cavallo added: "We are especially seeking to look ahead and have a clear vision of the immediate future of the world with its rapid and profound changes.

It is a train we cannot miss. In this international framework, changes within the very important Soviet Union will certainly have an impact on international negotiations because of its undeniable influence."

Regarding changes within the international arena, the minister said he is aware of the concerns of the great powers.

"In fact, almost all of these nations have created crisis staffs or crisis groups that are alert to situations that may suddenly occur and must be evaluated for precise adaptation to the new realities. No one wants to be on the losing side."

In France, for example, there is a very qualified group of responsible government officials presided over by Prime Minister Michel Rocard that is closely following changes in the East, and another group which is closely following the Persian Gulf crisis.

It is not just a matter of curiosity but of foreseeing how the world will be after the changes or crises that are taking place. Why? To adopt positions that are conducive to its interests.

The minister said that he has a very clear view of the situation, "as does President Menem," and is working toward that objective.

The characteristics of "perestroyka" represent similar types of changes that are taking place in Argentina, Brazil, and other Latin American countries.

But here, with a high degree of administrative concentration, the measures to be adopted must be deeper, and this must all take place in a situation that had no experience in this matter. For this reason, the minister said, the process will probably be easier. We have sufficient resources, especially human, he said.

Asked why President Menem has given so much importance to his trip to the Soviet Union, Cavallo said that "this is justifiable and consistent."

Cavallo gave further details on the tight political and economic relations that Argentina has always had with Eastern countries. Now "they must be adapted to the mutual changes to increase cooperation and trade. For this reason the contacts must be strengthened and renewed," Cavallo said.

The minister spoke with enthusiasm about the meeting between Menem and Gorbachev, which was scheduled to last for one hour and 15 minutes but went on for another half hour at the initiative of the Soviet president, "who found original and interesting ideas" in the long meeting.

"Presidents Menem and Gorbachev—as I noticed in my talks with Eduard Shevardnadze—have expressed the similar conviction that political and international security organizations can finally function as provided in the UN Charter."

He added: "For example, the decision to send ships to participate in the trade embargo in the Gulf has demonstrated our desire to be founding partners in the new international security system, and we have verified that we adopted the correct position."

On 29 October Cavallo will be in Bonn, where he will meet with the German foreign minister. Among the subjects to be discussed, it is known that they will continue the advanced negotiations to establish insurance for investments in our country.

This insurance will be granted only to "reliable" countries, and Argentina is considered to be in that category. That insurance will guarantee capital contributions invested in our country.

The minister will then go to Madrid on the same day to carry out activities considered to be "very important." There he will also participate in the first top-level meeting based on the treaty on Spanish-Argentine private investments.

"I will talk about this with King Juan Carlos and President Felipe Gonzalez. Of course, I will also have a long working meeting with my Spanish counterpart, Francisco Fernandez Ordonez," Cavallo concluded.

Drug Ring Dismantled in Joint Operation

PY2610223690 Buenos Aires DYN in Spanish 1044 GMT 26 Oct 90

[Text] Buenos Aires, 26 Oct (DYN)—A drug trafficking ring, with connections in Bolivia and Europe, was dismantled following a patient joint investigation by the Naval Prefecture and provincial police forces. A former assistant of Buenos Aires Governor Antonio Cafiero is among the 36 people who were arrested and placed at the court's disposal.

In this regard, Buenos Aires government spokesman Osvaldo Pepe explained Governor Cafiero's connection with one of the people involved with the drug trafficking ring.

Pepe said that Diego Pousadella, who is said to be linked with the drug ring, "was an administrative clerk in the office of the second vice president of the Chamber of Deputies, a post that was held by Cafiero," and that "as of 1988, he carried out occasional minor jobs at the office Cafiero had in the Federal Capital; he was dismissed last February because of repeated acts of negligence."

The ring, which stole vehicles to trade for cocaine, was uncovered in France, and investigations in Argentina under the supervision of San Isidro Federal Judge Alberto Piotti made it possible to untangle several criminal connections in Bolivia, Spain, and Germany.

During a news conference, Judge Piotti explained: "Usually they [the police] get 'mules' or 'couriers' (who transport the drugs), but this time, thanks to an exhaustive investigation that began last April, I think we have arrested high-ranking members of this criminal ring."

Accompanied by the head of the Naval Prefecture, Victor Zibell, and the provincial police force chief, Osvaldo Samohano, Judge Piotti said the ring had no "political character" when he was asked by journalists about the arrest of Diego Pousadella, who was a private secretary for the Justicialist Party presidency under Cafiero's administration.

Piotti explained: "He is under arrest and is being tried. Exactly how he was connected with this drug trafficking ring remains to be determined, although it has been proven that (Pousadella) supplied apocryphal documents, seals, and other material that were used by the ring to perpetrate their crimes."

Pousadella was found in possession of seals, blank provincial police credentials, a free transit and parking permit issued by the Buenos Aires Chamber of Deputies, and five national Chamber of Deputies air tickets—also blank—which belong to legislators Moises Fontela, Juan Pablo Cafiero, and Jose Castillo, according to Piotti.

In addition to Pousadella, the following people were arrested and are being tried in Argentina: Juan Luis Pelikan, who is believed to be the head of the ring; farmer Cesar Melchiore; Roberto Salces; Antonio Ruiz Vargas; Idelfonso Luis Rodriguez; Alfonso Jorge; Hugo Alberto Nunez; Francesco Staiti; and nine other people whose identities were not disclosed.

Army Troops To Carry Out Military Maneuvers

PY2610105290 Buenos Aires TELAM in Spanish 2019 GMT 25 Oct 90

[Text] Buenos Aires, 25 Oct (TELAM)—The Army chief of staff has issued a communique that announces the 12th Infantry Brigade will carry out military maneuvers in the Misiones, Corrientes, Chaco, and Formosa Provinces. The exercises will conclude next weekend.

The communique states that vehicles participating in the maneuvers will take Highways 12, 105, 40, and 14 in the Misiones Province, and Highways 11 and 16 in the Chaco and Formosa Provinces.

Elimination of Wheat Export Taxes Set for 15 Nov

PY2610220890 Buenos Aires BUENOS AIRES HERALD in English 26 Oct 90 p 3

[Text] (NA-DYN)—Tariffs on wheat exports are to be scrapped as from November 15, the Agriculture Undersecretariat announced yesterday.

In a decree signed by Economy Minister Antonio Erman Gonzalez and Treasury Under Secretary Saul Bower, the government established the complete elimination of the export taxes, currently set at 15 percent.

The initiative had been demanded by all agricultural sectors, on the grounds of the "collapse of international markets, low worldwide wheat prices and the depressed value of the dollar, which is reducing the profit margin for exports. [no closing quotation mark as published]

Upon hearing the news, the Argentine Rural Society (SRA) expressed its satisfaction, since "the measure will benefit producers faced with the difficult conditions in the international market."

Bolivia

IDB Approves Loan for Power Generation

PY2710182890 La Paz PRESENCIA in Spanish 18 Oct 90 p 6

[Excerpts] The IDB [Inter-American Development Bank] has approved an $80-million loan to finance a

program for power generation, transmission, and distribution to satisfy local demand.

This information was released by Juan Cariaga, IDB executive director for Uruguay, Paraguay, and Bolivia. Cariaga said that the IDB executive board has approved the loan. [passage omitted]

Cariaga explained that the program is intended to increase electric power generation to supply national needs, reduce loss of electric power, improve the quality and reliablity of the service, and to institutionally strengthen the organizations in charge of power supply. [passage omitted]

Alleged Drug Trafficker Arrested, Sent to Miami

PY2710171090 Madrid EFE in Spanish 2009 GMT 26 Oct 90

[Text] Official sources today reported that accused Bolivian drug trafficker Erlan Echeverria was arrested and sent to the United States on 25 October because he could be essential to the Miami trial of Luis Arce Gomez, the so-called "cocaine minister."

Echeverria was arrested by Bolivian police and U.S. drug (DEA) [Drug Enforcement Administration] agents in Santa Cruz, 903 km east of La Paz. He was immediately flown to the United States.

Echeverria was considered one of former Interior Minister Arce Gomez' trusted men during Luis Garcia Meza's military regime (1980-1981). Arce Gomez was sent to the United States on 10 December 1989 to answer to U.S. charges of his alleged involvement in drug trafficking.

"Echeverria was a member of the Luis Arce Gomez organization, he was one of his most important trusted men, and he allegedly granted protection to drug traffickers," retired General Lucio Anez, head of the Special Antinarcotics Force, said during a news conference.

Other official sources have said that Echeverria could be a key witness in the Arce Gomez trial because he has "a lot of information" on the former interior minister's activities.

Lucio Anez said that Echeverria had no court action pending against him in Bolivia, adding that he was flown to the United States "because of the potential danger to Bolivia's democratic stability" if he stayed in the country.

Flying Arce Gomez to the United States was "a political decision" made by Bolivian President Jaime Paz Zamora despite the lack of an extradition treaty between the two countries covering drug trafficking. La Paz authorities recognized that the action was officially justified by the lack of trust in Bolivian courts.

Anez said that Echeverria was part "of a drug trafficking organization that was established in the country and was believed to have granted protection to drug traffickers for a fee. The organization has been charged before judges in Dade County, Florida, with conspiracy and intent to distribute cocaine in the United States."

Official sources who preferred not to be identified said that Echeverria's arrest was possible thanks to information from former officers from the Special Antinarcotics Force who were arrested in Santa Cruz at the beginning of the month for their alleged involvement in drug trafficking.

The 1911 Bolivian-U.S. Extradition Treaty does not contemplate the crime of drug trafficking; however, for more than a year the two governments have been studying the possibility of signing a new treaty.

Officer, Others Arraigned for Dealing Drugs

PY2710181290 La Paz PRESENCIA in Spanish 18 Oct 90 p 1

[Text] Seven people involved in a drug ring that has been operating in Cochabamba, Santa Cruz, and Beni Departments were brought before the courts yesterday. The list includes Juan Carlos Pommier Butron who had been coordinatior of the Special Antinarcotics Force [Felcn] in Santa Cruz until his arrest. Maritza Castellon Soruco, special prosecutor for cases involving dangerous substances, and Hugo Aparicio Ardiles, criminal district state prosecutor, have indicated that there are enough documents and records that "together conclusively prove that the crimes of manufacturing and dealing in narcotics, association for criminal purposes and criminal intent, were actually committed..." as outlined in Law 1008 that establishes the punishments for these illegal activities.

The people involved are Carmelo Dominguez Vaca, Carlos Pommier Butron, Carlos Hugo Balcazar Rea, Hitler Salas Parada, Nelson Rafael Henriquez, Zaida Valencia Luna de Gamarra, and Jorge Luis Ortiz Lopez Bozo.

The initial list of detainees released on 26 September after the simultaneous operations in Cochabamba, Santa Cruz, and Beni, contained 18 names.

Government officials had identified Pommier as a "Bolivian Air Force [FAB] representative in the Felcn," but yesterday FAB sources indicated that "former Major Pommier has not been appointed to any post. He was separated from the FAB many years ago for problems similar to those he is now facing."

YPFB Exports Liquefied Petroleum Gas to Chile

PY2710182090 La Paz PRESENCIA in Spanish 19 Oct 90 p 1

[Excerpts] Bolivian Government Oil Deposits (YPFB) is exporting 3,000 tons of liquefied petroleum gas (LPG) to Chile for consumption in the Departments of Iquique,

Arica, and Antofagasta, Roger Longaric, YPFB marketing director, reported yesterday.

Longaric added that the 3,000 tons will be sold at $180 per ton for delivery in 40 days as of this date. [passage omitted]

The LPG sale was transacted through direct negotiations between officials from Endigas [expansion unknown] of Chile and a recently created YPFB marketing commission. [passage omitted]

Brazil

Collor Addresses Cabinet on Debt, GATT

PY2910190090 Rio de Janeiro Rede Globo Television in Portuguese 1220 GMT 29 Oct 90

[Address to the Cabinet by President Fernando Collor at Planalto Palace—live]

[Excerpts] Messrs. Ministers and Secretaries: [passage omitted]

Messrs. Ministers and Secretaries, the proposal that we have formulated for the renegotiation of our foreign debt faithfully reflects the positions that we have always advocated. I thank all society for the support it has given us. I would also like to say thank you, with particular emphasis, for the support that we received from the Senate, which is essential for the progress of the complex talks that have begun. Brazilian negotiators have been granted the appropriate powers for this task. They enjoy the full confidence of the president.

Our proposal is innovative and creative. It is based on the principle that the repayment of the debt should not harm the growth of our economy, in keeping with our capacity to achieve development. Contrary to what happened in the past, it is the scheduling of the debt repayment that will have to be adapted to the imperatives of Brazilian development.

The long-awaited correction of this order of priorities does not imply any desire to promote confrontation with creditors or to hinder consensus formulas. On the contrary, we are ready to engage in negotiations and dialogue. I am sure that new and constructive solutions will be found and that they will lead to a positive outcome.

Yet we hope that our creditors will be clearly aware of the need to guarantee and improve the health of our economy. With the investments that they have made here, they are natural partners in the daily efforts that Brazilians make for progress and social justice. May this spirit preside over our dialogue.

Brazil's image in the international arena has taken a significant step forward in the past few months. This is paramount for our foreign debt negotiations.

Concerning the environment issue, after being in the dock we have shifted to the forefront of the world struggle to preserve the environment.

Concerning our commercial policy, we have taken significant steps, particularly with the liberalization of imports. We are gradually but decisively opening our economy to foreign competition. My interlocutors all over the world have recognized the scope of these changes. Brazil wants an open economy because it knows that this is a precondition for stable economic growth.

It is therefore worrisome that at the ongoing Uruguay round of GATT talks, developed countries—which are in a better position to promote economic opening—are resisting the granting of concessions in essential areas like agriculture.

Today, after making substantial efforts in this area, Brazil is still awaiting concessions from other countries. This, however, does not imply any kind of intransigence. We want sound rules in the world economy that reflect interdependence and facilitate development.

To this end, Brazilian Government representatives with a clear idea of our interests have promoted dialogue and understanding within the GATT. [passage omitted]

Messrs. Ministers and Secretaries, the fight against inflation is still my government's first priority. I am sure that our determination will not fade. We will reach a situation in which prices will be at a civilized level. We will continue to maintain strict control over our fiscal and monetary policies and austerity in public spending.

The state administrative and property management reform is moving forward determinedly. Economic agents must once and for all realize that my government will not give up. The sooner they realize this, and the sooner they do away with inflationary practices, the smaller the price they will have to pay under the measures that we have to enforce and are enforcing to curb inflation. [passage omitted]

Police Discover Clandestine Cemetery Near Rio

PY3010021090 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 29 Oct 90

[Text] The Rio de Janeiro police have discovered a clandestine cemetery where more than 100 bodies may have been buried. The police went to the cemetery after members of a hit squad were sent to jail this weekend.

The police engaged in a shoot-out with the gang, the most violent hit squad in the Baixada Fluminense area. The leader of the squad, who managed to escape, was identified as Cosme Luis Teixeira da Silva, also known as (Cosmenho). He has been charged with murder.

The arrest of the gang sent the police to Encontro Hill in Nueva Yguazu in Baixada Fluminense, where the clandestine cemetery was uncovered. Many of the victims were taken by the hit squad to the hill and executed. The

police found clothes and a well containing human bones in the brush. According to police officer Ive Trinidad, who is in charge of investigating the crimes carried out by the hit squad, several bodies were buried on Encontro Hill.

[Begin Trinidad recording] We believe that more than 100 people have been murdered. [end recording]

Port Longshoremen End 20-Day Strike 29 Oct

PY2910121690 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 29 Oct 90

[Excerpts] The strike by longshoremen in the port of Santos ended today. They resumed work after a strike that lasted 20 days. [passage omitted]

This strike was the longest since 1946, and some 106 ships are waiting to be unloaded. The losses faced by the dock companies surpass 1 billion cruzeiros.

* Collor To Support Second Round Candidates

91SM0009A Sao Paulo O ESTADO DE SAO PAULO in Portuguese 27 Sep 90 p 7

[Text] Brasilia—Deputy Daso Coimbra (PRN [National Reconstruction Party], Rio de Janeiro) yesterday stated that President Collor will actively support those candidates for governor in the second round of the election who are identified with his governmental program. He added that Collor made this decision at least four months ago. "The president believes he should not become involved in the first round, but that in the second round—when the contest has acquired national contours—he not only has the right, but the duty, to participate and to solicit votes for whoever can help his administration," the deputy explained.

Before declaring his public support for the gubernatorial candidates whom he is interested in electing, Collor will call together the recently elected delegations of Federal deputies and senators who are associated with him to discuss the forms of collaboration. "In these conferences the president will also begin the formation of the supra-party bloc that will support him in the Congress," said Deputy Gidel Dantas (PDC [Christian Democratic Party], Ceara), the assistant leader of the government bloc. "And because regional politics are complicated" he added, "he will interview all the elected candidates to decide on the kind of campaign to conduct in behalf of those allied candidates who have reached the second round."

But the formation of the government bloc, the deputies said, has a "price": the appointment of persons recommended by the politicians to the second-level administrative posts that are still vacant. "The president said he would resume making the appointments after his bloc has been safely formed in this election," Coimbra said, "and we hope this will occur." For six months—supported principally by Deputies Gastone Righi and Solon Borges dos Reis, both of the Sao Paulo PTB [Brazilian Labor Party]—Coimbra has asked Collor to fill the posts on the basis of recommendations made by members of congress who support the administration. The president has refused to offer appointments in exchange for support of his administration.

Deputy Adolfo Oliveira (PFL [Liberal Front Party], Rio de Janeiro), who is also an ally of the administration, believes that assistance for gubernatorial candidates who are identified with the present administration has become necessary, mainly to prevent the election of declared enemies of the president.

* Businessmen Seek Out Trade in East Europe

91SM0009B Rio de Janeiro O GLOBO in Portuguese 23 Sep 90 p 59

[Article by Milton F. da Rocha Filho: "Businessmen Seek New Trade Opportunities in East Europe"]

[Text] Sao Paulo—East Europe is arranging for capital to enter the free market. This capitalization—which is taking place with the assistance of European countries, Japan, and the United States—is attracting the attention of Brazilian businessmen, who are already preparing to send a delegation on a protracted mission of recognition to the new East Europe in late October. The announcement of this mission was made by the president of the Brazilian Foreign Trade Association (AEB), Marcus Pratini de Moraes.

The itinerary of countries to be visited includes Poland, Hungary, and Czechoslovakia, among others. A study by the AEB gives details concerning this infusion of funds from multilateral lending institutions and from the governments themselves of the EEC countries. Poland alone received $725 million from the IMF and $1 billion from industrialized countries.

Poland used this money to create a stabilization fund for its balance of payments. It also received—in connection with an effort to reform its economy—three million [as published] West German marks and a $500 million loan from Japan.

Hungary has also received funds from the EEC and from the principal international lending institutions. In addition to the credit lines from the European Investment Bank and the IMF, it will receive an additional $1 billion from European countries. It has also received $500 million from the Japanese.

Hungary has also decontrolled prices on more than two-thirds of all consumer goods and adopted a comprehensive policy of incentives for foreign capital.

According to Pratini de Moraes, it is essential that Brazil initiate dialogue with new trade organizations.

"The convertibility of foreign exchange, and the decentralization of trade in East Europe, will open the doors to Brazilian businessmen," Pratini de Moraes said. "The elimination of a number of bureaucratic procedures will

dynamize trade with Brazil at a time when Brazilian authorities have announced regulations for the liberalization of our trade," he concluded.

* Grain Harvest Projected To Drop 20 Percent

91SM0033B Sao Paulo FOLHA DE SAO PAULO in Portuguese 26 Sep 90 p C13

[Text] Rio de Janeiro—According to the August estimates, this year's harvest of cereals, legumes, and oleaginous plants will be 20.4 percent below the 1989 harvest. The Brazilian Institute of Geography and Statistics (IBGE) estimates this year's grain production at 57.2 million metric tons, compared to the 71.8 million metric tons harvested in 1989. The main causes of the decline were dry weather, which affected coffee growing (-5.95 percent), and frost combined with irregular rainfall, which damaged the wheat crop (-27.60 percent) and the soybean crop (-16.99 percent).

Of the 19 agricultural products surveyed by the IBGE, oranges were the only crop to show increased production in August in comparison with the month before. According to the IBGE, the 3.24-percent increase in estimated production was due to the recovery of cultivation in Sao Paulo, which accounts for over 80 percent of the nation's production.

Compared to the 1989 harvest, the IBGE found that only seven of the 19 crops in question are expected to show an increase in production: white potatoes (first harvest) (15.44 percent); sugarcane (8.09 percent); onions (7.83 percent); manioc (4.88 percent); cacao (3.60 percent); beans (first harvest) (2.47 percent); and oranges (0.08 percent).

* Effects of New Agricultural Policy Discussed

91SM0033A Sao Paulo GAZETA MERCANTIL in Portuguese 27 Sep 90 pp 1, 22

[Article by Vera Brandimarte]

[Text] Sao Paulo—With an initial fund of $2.5 billion consisting of foreign financing and funds provided by the National Bank for Economic and Social Development (BNDES), the government intends to modernize agriculture by investing in the entire chain constituting the agroindustrial complex. Drawing the links in that chain closer together with incentives for the internalization of agroindustry will make the government's gradual withdrawal from the agricultural markets, where it has always been active in propping up rural incomes, less traumatic.

The exhaustion of the Treasury's ability to continue supporting a policy of intervention in the market or to continue providing subsidized financing for planting—at an amount which actually exceeded the value of production in the early 1980's—has led to an inevitable revision of the agricultural policy, the guidelines for which are now centered on efforts to find, in the market itself, the solutions to the deadlock in which the sector finds itself. Lacking government funds and the government support which involved a guarantee to buy all production not sold on the market, agriculture is already starting to live with the new rules published last August, when the government reduced guaranteed minimum prices by the cost of freight, thus making clear what the market already knew anyway: growing cereals far from the consuming centers is economically unviable and costs more than the value of production.

Although it is criticized more for the abrupt way in which government support is being withdrawn than for its actual content, the new agricultural policy is arousing some apprehension among analysts in the sector. They feel that its first effect will be to break up production structures which are inefficient or whose product is not directly absorbed by the market, that it will generate rural unemployment, and that it may further concentrate ownership of the land.

Those impacts are not exactly denied by the team at the Ministry of Economy that prepared the agricultural package. The backers of the agricultural policy view those effects as being a social problem which has been disguised until now and which must be dealt with by society rather than by the government, which no longer collects enough money from that society to keep on giving the rural world special treatment.

Behind the realism of the measures announced for the rural world is a different conception of the state's role and of rural activity itself. "The state cannot be an agent in the rural sector's trading relations; the market expresses social relations—trading relations—and that is where society must fulfill itself," says Jose Claudio Barriguelli, a sociologist and a member of the Ministry of Economy team that is mapping out the Collor administration's agricultural policy.

The state's priority task will be to encourage the sector's modernization by formulating guidelines for an investment program that will stimulate the verticalization of agricultural activity by providing financing for the establishment of agroindustrial firms having raw materials and an infrastructure capable of making production economically viable. But the risk involved in those undertakings must be assumed entirely by the economic agents, including the banks that lend the money.

In promising to end the policy of protecting an economic sector that is surrounded by an apparatus of protectionist instruments everywhere in the world—especially in the most developed countries—and without the artificial talk about protecting the small producer and supporting him in the rural areas, the intention is to alert society to the problem of the inefficiency of certain productive structures or their lack of economic viability. That is no more and no less than what is also being done through the industrial policy by opening up the market to imports and forcing Brazilian industry, whether big or small, to invest in order to become more competitive if it wants to survive.

"When we abandon the protection provided under the policy of guaranteed minimum prices and the Center-West's agricultural production is endangered, that is not the government's responsibility. What it means is that throughout all these years of government protection, that region has not managed to develop a market to absorb its production. Production must satisfy a demand on the part of society, and the forces in that society must confront each other without government interference," says Barriguelli. What the government plan as a whole encourages civil society to do is organize itself and find the solutions to its problems and conflicts of interest, he says.

According to the government team, the guidelines for the new agricultural policy also do not contradict the government's announced intention to give priority to the production of foodstuffs to ensure that there will be food on Brazilian tables—especially since, as that team sees it, the problem of Brazilian production is not one of quantity but of the location of production, which is inaccessible to the consuming centers. The question is how those foodstuffs should be produced.

There is no intention of resolving the social issue by giving out pieces of land so that their new owners can feed themselves and produce a small marketable surplus that is expensive because productivity is low and modern technology is lacking. Agrarian reform, viewed in terms of the results achieved with the settlements established by previous governments, is compared, from the standpoint of its economic and social results, to the informal economy, which recycles products of low quality so that a reasonable percentage of the population can make a precarious living from trading in them. It disguises the social issue but does not solve the problem.

From that standpoint, the rural worker's historical aspiration to own a piece of land is an anachronism seldom mentioned within the Ministry of Economy, even though agrarian reform is an official program in other areas of the government.

Agriculture today has already become urbanized, as can be clearly seen in Sao Paulo, says Barriguelli. Since rural manpower lives in the cities, the break with the rural world's values has already occurred, and this makes it less traumatic for those workers to choose jobs in the city. Labor relations themselves have changed, considering that certain productive structures such as chicken breeding now function like genuine industrial production lines.

In the government's view, the long-term process to be pursued by the new agricultural policy consists of seeing to it that agroindustry becomes increasingly internalized and that the links in the chain of the agroindustrial complex are created.

If, in the early stages, nonparticipation by the government and rural mechanization aimed at improving productivity lead to unemployment, the government will, if necessary, distribute free "basic food baskets." The only question is where that food will come from once the current buffer stocks, which will probably be almost entirely sold out this year, have been used up.

But in the opinion of the Ministry of Economy's advisers, individuals who may be evicted from the ranches as a result of this process and who will have to seek jobs in the city will be no worse off than they were in the rural area, where the extremely low wages have an insignificant effect on the value of production. Years of protection for sugar production in the Northeast, for example, have not prevented the Northeast Forest Zone from now being the poorest in the region, says anthropologist Clenilda Maria Oliveira de Souza, a member of the team.

Barriguelli says that all over the world today, urban society is asking how far it can go in providing subsidies to maintain a rural society using antiquated production methods. "We have the privilege of being able to modernize those structures because the obstacles we face are more tenuous than those in societies such as those in North America and Europe."

To support that modernization, the government will allocate $2.5 billion over the next four years to the financing of agricultural and agroindustrial projects. The government's advisers admit that that is a small sum in view of the planned transformation, but in fact, that amount is to function as a fund to which funds from the financing system will be added. Although long-term credit in this country currently does not extend past 60 days, the government expects that with the coming of a stabilized economy, the banks will voluntarily provide long-term financing for the investments in question. Economic stabilization is apparently the only possibility envisioned by experts in the medium term, but if it does not happen, not only will there be no financing, but also the traditional productive structure will have been seriously weakened.

All of the government's lines of credit for investment have been concentrated in the BNDES. That institution will be responsible for relending those funds to the most solid banks for loans throughout the country. The funds in question consist of foreign financial resources—with a loan of $320 million from the World Bank being negotiated for next year—and approximately $2 billion in the BNDES' own funds.

The Ministry of Economy is negotiating with the BNDES to establish the terms for granting loans. The bank must also begin financing individuals, the payment term is to be increased to eight years, or six years with a two-year extension, and when funds are obtained abroad, they must be lent out at the same interest rates as those at which they were borrowed abroad.

To provide guidelines for the application of those funds, the government will prepare its plan for agricultural competitiveness and its production regionalization plan before the end of the year. Those plans will indicate the sector's shortcomings and draw attention to regional

investment options for maximizing the possibilities for profit. The regionalization plan will take into account data on each region's climatic and geographic conditions, the most suitable plants, population density (partly to determine whether the area is not already saturated), the existence of infrastructure such as roads for moving production, electric energy, the availability of services to support activity, proximity to the consuming market, and so on.

The government will present that picture of the potential of each region in the country to society, and the banks will base their lending on the data it provides. But the government will not do any planning. According to Barriguelli, that will be the responsibility of each businessman who wants to invest, and that same businessman will also have to plan how to ensure his supply of raw materials at viable costs. The banks will also have to set up structures for evaluating projects because they will assume the financing risks.

The idea is to encourage the intensive industrialization of all agricultural products ranging from those based on meat to those based on vegetables and legumes and to push the agroindustrial complex into a stage of modernity compatible with the demand from an urbanized society. Some food habits will have to be changed—by educating people to eat canned beans, for example, which would put an end to the problem of supplies between harvests.

* Piva Scores Limits on His Activities

91SM0009C Sao Paulo O ESTADO DE SAO PAULO in Portuguese 27 Sep 90 p 13

[Article by W.W.: "H.O.P. [Hugo de Oliveira Piva] Criticizes Limits on His Activities"]

[Text] Bagdad—Brigadier General (of the Reserve) Hugo de Oliveira Piva, who brought 21 engineers to Iraq to take part in an air-to-air missile project, believes that President Fernando Collor's proposal to forbid technical experts in sensitive fields from performing services for foreign governments is "mistaken." Piva is the owner of a company—the HOP—which signed a contract with the Iraqi Government for consultation on the development of the air-to-air missile, a weapon used by aircraft in combat with other aircraft. President Collor made his statements in New York, and Piva learned of them from newspaper accounts. "If we cannott participate in this technology market," the general said, "we will go back to selling coffee, beans, and iron."

Piva believes that this prohibition, if put into effect, would be a step backward in Brazilian technological development. He thinks this type of restriction should not be applied even to countries such as Iraq that are situated in a zone of conflict.

"It is precisely these regimes that are our clients," he said, "because we are not in a position to compete openly in the more advanced markets."

A Grain of Sand

Piva insists that the missiles the Iraqis would develop with the decisive assistance of his Brazilian engineers are merely "a grain of sand in the desert." The Iraqi air force has some of the most sophisticated aerial combat weapons on the international market, including the Sidewinder missiles of American manufacture. "We could never be considered a factor for instability," he declared.

The general appeared to be troubled, however, by the president's statements. "He is going to forbid people to return here when things are back to normal," he declared.

Piva was surprised at the president's decision to pour a shovelful of lime into the borehole that the Aeronautics Ministry had drilled in the Serra do Cachimbo. He insists that the project was intended exclusively for storage of highly radioactive nuclear waste, and that none of the three branches of the Brazilian armed forces is anywhere near making an atomic bomb. "I am inclined to believe they did everything in secret in order to avoid protests from ecological and political groups," he said, "because whenever an attempt was made to designate a site for the radioactive waste, you had that kind of a demonstration and everything ground to a halt."

According to Piva, the hole bored in the Serra do Cachimbo met all the safety requirements for the storage of the waste and was not intended for the testing of explosives. "No one," he said, "would carry out tests of explosives after spending a huge sum of money lining the borehole with steel and concrete. It was to be used for storing waste, and nothing more."

Chile

Nominees for Army Command; Possible Promotions

PY3010011290 Santiago Radio Cooperativa Network in Spanish 2200 GMT 24 Oct 90

[Text] Army Commander in Chief General Augusto Pinochet has requested a meeting with President Patricio Aylwin for 26 October. General Pinochet will then inform the president of the Army's proposal for the composition of its High Command, which will assume its duties in 1991.

The Army released a communique this afternoon reporting that the legal and regulatory process for the annual evaluation of personnel was completed today. The communique from the Army Communications Department noted that six generals have voluntarily submitted their resignations.

It was unofficially learned that the senior officers who resigned are: Major General Patricio Gualda Tiffaine, Army inspector general; Major General Hugo Salas Wencel, Army chief of staff; Major General Raul Iturriaga

Neumann, director general of national mobilization; Brigadier General Gustavo Abarzua Ribadeneira, director of Army Intelligence; Brigadier General Osvaldo Palacios Mery, commander of rationalization and development; and Brigadier General Patricio Varela, commander in chief of the 6th Army Division.

The possibility that other generals may retire has not been discarded. Eleven officers may be promoted to the rank of major general: Brigadier Eugenio Videla Valdevinito; Brigadier Luis Cortes Villa; Brigadier Victor Escobedo Roman; Colonel Guillermo Sanchez, current director of the Military College; Colonel Ricardo Uzurieta; Colonel Ricardo Contreras Fuentes; Colonel Rafael Villaroel; Colonel Humberto Julio; Brigadier Guillermo Letelier; Colonel Ramon Valdez; and Brigadier Patricio Cebedo. This list and the number of persons on it are not official. There may be as many as 12 promotions to general.

All this information will be officially released only after General Pinochet takes this proposal for the Constitution of the 1991 Army High Command to President Patricio Aylwin, who will have the final word on the matter.

Executive Branch Approves New Navy High Command

PY3010011090 Santiago Television Nacional de Chile Network in Spanish 1700 GMT 26 Oct 90

[Text] President Patricio Aylwin has approved the members of the Navy High Command for 1991 as nominated by Navy Commander in Chief Admiral Jorge Martinez Busch. The nominees are: Vice Admiral Alfredo Gallegos Villalobos, as fleet commander in chief; Vice Admiral Claudio Aguayo Herrera, as service director general; Vice Admiral Juan Mackay Barriga, as personnel director; and Vice Admiral Juan Carlos Toledo de la Maza, as maritime territory and merchant marine director general.

Also nominated to the Navy High Command are 17 rear admirals and five Navy captains.

Pinochet Denies Army Involvement in Fraud Case

PY2910212090 Santiago Radio Chilena Network in Spanish 1600 GMT 29 Oct 90

[Text] Army Commander in Chief General Augusto Pinochet has asserted that six generals who have retired did so voluntarily and that the others involved left the Army for disciplinary reasons, but not because of the La Cutufa scandal.

Gen. Pinochet was interviewed by the media at noon today at the Military School, where he was attending a ceremony sponsored by the Cema [Mothers Centers] Foundation, which is headed by his wife Lucia Iriart. Pinochet also said that the ongoing investigation is only aimed at clearing up this matter. He added that there is no evidence so far that the Army has any responsibility in the La Cutufa scandal.

[Begin recording] [Pinochet] We have nothing to do with illegal financial institutions. I ordered an investigation to make things clearer to me from a disciplinary point of view. I do not know anything else. I am not involved in anything but the disciplinary aspects of these matters. [words indistinct].

[Reporter] [Question indistinct]?

[Pinochet] Let me finish speaking, please. Right after that, we have the final disciplinary board problem: The generals gave me freedom of action and they decided to leave voluntarily. That is it. No one has been found guilty.

Third [as heard], I ordered General Torres to investigate whether there were Army funds involved in the activities of the informal financial institution. So far all the radio reports I have received from the units state that there is nothing to that. [end recording]

Regarding Gen. Torres' investigation into the clandestine financial institution which reportedly caused the disciplinary board sanctions, Pinochet insisted that the investigation was only intended to make the problem clearer to him. After making this statement, he got into his car and left the Military School.

FPMR Takes Over Station, Reads Manifesto

PY3010013490 Santiago Domestic Service in Spanish 2200 GMT 29 Oct 90

[Text] It has been confirmed that militants of the FPMR [Manuel Rodriguez Patriotic Front] terrorist group took over the installations of the illegal radio station (Guenu) of Pueblo Nuevo, Temuco, to read a subversive manifesto. In the manifesto the FPMR asked for justice for political prisoners and investigations into the cases of missing persons in Temuco and throughout the country.

The terrorists perpetrated the assault by intimidating station personnel with .38-caliber weapons, according to witnesses. After airing the manifesto, the terrorists placed packages in strategic locations and warned radio personnel not to open the doors because the packages would explode.

Carabineros finally arrived at the radio station and discovered that the packages did not contain explosives and were actually fake bombs.

Teitelboim Advocates Modernization of PCCh

PY2910123890 Santiago Domestic Service in Spanish 1000 GMT 29 Oct 90

[Text] Volodia Teitelboim Volosky, secretary general of the Chilean Communist Party [PCCh], has said that the PCCh must eliminate sectarianism, and renew and modernize itself. He spoke at a ceremony at the Caupolican Theater, during which PCCh members celebrated the legalization of their party.

Teitelboim said that the legalization of the PCCh is a great victory for the Chilean people, adding that the party needs comprehensive and sincere democratization. He said that some factors of national and international crises have strongly affected the PCCh, noting that such effects will be overcome only if the PCCh undergoes a thorough and multilateral renewal.

Concerning dissent within the party, he said that those who maintain that the PCCh has no channels for expressing doubts, criticism, and proposals for change are wrong. He said that the party policy will be designed on the basis of real circumstances, without either dogmatic positions or abstract slogans.

As for the party position toward the current government, Teitelboim said that the PCCh has adopted a critical and active attitude of constructive independence. We will support what is good and condemn what is bad, he said.

Unclaimed Bomb Attack Against Home Injures One

PY2910210690 Santiago Radio Chilena Network in Spanish 1600 GMT 29 Oct 90

[Text] An agricultural expert who was seriously wounded early this morning in a bomb attack on his house in Maipu District is out of danger. The wounded man was taken to the intensive care unit of Central Hospital.

The bomb was meant for his wife, Patricia Moreno Espinoza, who used to work for the dissolved National Intelligence Center, CNI. According to information provided by police sources, at 0030 today unidentified individuals threw a bomb into their house at 426 Morelia Drive near Mexico Avenue, Maipu District.

The bomb was thrown inside the childrens' bedroom. Their father, 39-year-old Juan Espinoza Montenegro, tried to pick up the bomb to throw it into the yard, but it exploded. Espinoza Montenegro suffered multiple injuries and both his arms were broken. His wife and children were not hurt. No group has claimed responsibility for the attack.

Drought Emergency Declared in Various Districts

PY2710153090 Santiago Domestic Service in Spanish 2200 GMT 26 Oct 90

[Text] The president of the Republic has signed a decree declaring a drought emergency zone in some districts of the third, fourth, and fifth regions. The signing ceremony held at Aylwin's office was attended by congressmen from the affected regions as well as by the Cabinet headed by Interior Minsiter Enrique Krauss. Agriculture Minister Juan Agustin Figueroa said:

[Begin recording] [Figueroa] It is true that the situation in some specific districts is critical, and we must provide important support to those who are suffering the consequences of the drought.

[Reporter] What specific measures will be adopted?

[Figueroa] We have already taken social measures that we will try to intensify. We will distribute animal feed, and we will conduct a campaign against parasites. We will also grant funds to deepen wells, and [words indistinct] and other projects aimed at obtaining water to solve the situation. [end recording]

Figueroa said that the funds to be released have not yet been established and that allocations will be made according to general estimates.

The decree favoring the three regions is effective retroactively to 1 October.

Colombia

Government Appoints New Health Minister

PA2610231090 Bogota Inravision Television Cadena 2 in Spanish 1732 GMT 26 Oct 90

[Text] The Colombian Government has just appointed Camilo Gonzalez Pozo, a chemical engineer, to the post of health minister. He replaces Antonio Navarro Wolff, who resigned less than two hours ago [as heard] to head the M-19 [19 April Movement] list of candidates for the Constituent Assembly.

It is a fact that the Constituent Assembly has greatly attracted the various parties and social organizations. Navarro's resignation was anticipated, but the true surprise was ex-President Alfonso Lopez Michelsen, who decided not to head the list of liberal candidates for the coastal departments.

Romero Assumes Office as New UP President

PA2710004590 Bogota Inravision Television Cadena 2 in Spanish 1730 GMT 26 Oct 90

[Text] The Patriotic Unity has officially announced its list of candidates for the Constituent Assembly, which will be headed by ex-Foreign Minister Alfredo Vasquez Carrizosa. In addition, Carlos Romero, councilman for Bogota, has assumed office as the new Patriotic Unity [UP] president. Romero announced a proposal for a political consensus in the Constituent Assembly to obtain the results desired in the country.

[Begin Romero recording] We are willing to talk with the various factions of both the Liberal Party and the Conservative Party. We also want to attain unity within the ranks of the leftists, who have been promoting the list of candidates headed by Vasquez Carrizosa. [end recording]

Former President Not To Run For Assembly

PA2710164890 Bogota Radio Cadena Nacional in Spanish 1200 GMT 26 Oct 90

[Text] Bogota—Alfonso Lopez Michelsen, former president and Liberal Party member, has withdrawn his name

from the list of possible candidates who will participate in the National Constituent Assembly.

Saying that he will not be among the 70 people who will reform the Constitution, former President Lopez Michelsen reiterated that his participation in the Constituent Assembly has already been fulfilled. Dr. Lopez Michelsen had said last week that he would be willing to participate in the Constituent Assembly. It was even reported that his name would be formally registered to participate in the Constituent Assembly next Monday in the city of Barranquilla.

In a communique, former President Lopez Michelsen stated: "On the eve of the election of representatives to the Constituent Assembly, the problems that have adversely affected the Liberal Party have been successfully overcome. The strategy adopted by the legislators includes the warning not to commit the majority of the Liberal Party rank and file in an open struggle over published national lists of candidates. This has achieved the objective of different forces within the Liberal Party rallying behind one single name or group of names in each department, including those in the Atlantic Coast region, provided that its electoral volume permits.

"Meanwhile, the Liberal Party, with its traditional sense of responsibility as a government party, has selected its best men to represent it in the Constituent Assembly.

"My plan to lead a renovation with nonpolitical professionals has been partly fulfilled. It will continue to be fulfilled to demonstrate that there need not be disagreement within the Liberal Party to allow opportunities to new figures.

"Under these circumstances, my participation in the Constituent Assembly—which I never wanted and only accepted to help the 9 December elections—has been for all practical purposes fulfilled, as the participation of Liberal Party majorities in the Constituent Assembly has been ensured.

"Also, my support for the debate on possible reforms to the Constitution does not require my physical presence at the Constituent Assembly. I will continue to present my initiatives through the media. I am confident that my initiatives will be deserving of the attention of Colombians, who see in these reforms the opportunity to improve the institutions, and therefore, attain peace—our common goal—within a different context.

"I want to thank those well-wishers who have supported me all along. It is very gratifying to be able to give you this report of anticipated victory. I am confident that the strategy of trying to obtain countless residuals when the electoral quotient is so high will result in a larger number of Liberal Party representatives.

"The opposite would result in a useless effort, which would engage us in an open struggle of electoral quotients. We now know that in the modern world, as opposed to during the times of our civil wars, guerrilla warfare is more productive than facing an entire Army in a single and decisive battle, as happened in La Humareda and Palo Negro."

Council To Restructure Antidrug Strategy

PA2910202490 Mexico City NOTIMEX in Spanish 2142 GMT 23 Oct 90

[Text] Bogota, 23 Oct (NOTIMEX)—The Colombian National Security Council (CNS) admitted today that the decrees issued during the state of siege to counter crime had failed. It also announced that it would restructure the antidrug strategy.

The CNS announced its decision to reorganize the government's stategy in its war against drugs because the current offensive against the drug cartels has only resulted in the arrest of the smaller drug dealers—mules and paid assassins—while the leaders of the organizations remain free.

The new strategy is to be based on the intelligence work carried out by security and investigative organizations. The CNS noted that the repressive decrees issued under the state of siege have not to date been effective in stopping the increase in crime.

Only one capo—Medellin Cartel's Jose Gonzalez Rodriguez Gacha, also known as "El Mexicano"—has fallen since former President Virgilio Barco Vargas declared an open war against the drug cartels. Rodriguez Gacha was killed by security forces in one of his estates in Tolu on 15 December 1989; however, nobody has information concerning the capos from other cartels, such as the Cali, Bogota, or Bucaramanga Cartels. These capos have simply vanished.

According to a Justice Ministry spokesman, the new measures will include reforms to the internal policies of the country's different security corps and will result in new bills that the president will send to congress.

Justice Minister Jaime Giraldo Angel believes that "it is more productive to combat the organizations that are behind crimes than to resolve the more than 500 murders that occur every month."

Giraldo Angel said that to arrest the people who are really responsible for these crimes, it is necessary to "completely reorganize the criminal justice policy. We must respond effectively to the challenge to confront organized crime. There have been 82 kidnapping cases in one month, and it is improbable that these could have been carried out without the participation of an organized network."

One of the first measures to be implemented would be the formation of special commands—with a stronger judicial police force—to combat terrorism, drug trafficking, and other crimes that cause disturbances.

UP Announces Participation in December Elections

PA2610162990 Bogota EL TIEMPO in Spanish 17 Oct 90 p 11-b

[Text] The Patriotic Union (UP) on 16 October announced that it will participate in the 9 December elections on a single ballot, a ballot that will be headed by former minister Alfredo Vasquez Carrizosa.

The UP announced this through a press communique in which it also states that that organization has collected approximately 50,000 signatures and that it hopes to double that figure.

It notes that the ballot will also include the name of UP President Oscar Duenas.

In addition, the UP National Pre-Constituent [Assembly] Board next week will announce the names of the 70 people who make up the UP ballot during an event to honor Vasquez Carrizosa.

In conclusion, the communique states that the UP ballot "is made up of various political, social, and regional sectors that do not agree with the way the national government is handling the process."

It adds that the UP leadership has urged the president of the Rpublic "to reorganize his strategy regarding the process, lifting the restrictions that originally limited the Constitutional Assembly."

Police Hold Kidnap Victim Under Protection

PA3010142090 Bogota Inravision Television Cadena 2 in Spanish 1730 GMT 29 Oct 90

[Report by Margarita Tobon from Medellin]

[Text] One of the persons who was kidnapped five days ago from the Kennedy Hotel in Medellin is under heavy police protection. This person has become the investigation's key witness. Up to midday today, 10 of the 12 people who had been kidnapped have been found murdered. In addition to the discovery on 27 October of four bodies, there are now 10 dead belonging to the Cali group that was kidnapped from the Kennedy Hotel in the early morning hours of 25 October. Inside a dark blue Mazda 626, the authorities found the tied, gagged, and shot bodies of two men and two women. Next to the bodies were signs that read: Killed by the Cali Cartel, and Here We Receive Cali With Open Arms. The authorities, however, rule out a clash between the cartels. Oddly, all four bodies found on 25 and 26 October wore green neckerchiefs. The authorities do not have an explanation for this, or the reason most of them came to Medellin—allegedly to buy clothes.

Meanwhile, seven of the bodies and their effects were claimed by relatives. Nevertheless, the hotel still holds some hand luggage, boxes, and clothing that belongs to one other guest. Talking about guests, the authorities say that there was a three-year old child who was with the group that was kidnapped from the hotel and whose whereabouts is still a complete mystery, as well as the identity of the kidnappers.

Regional Attorney General Office officials have begun investigating this well-known multiple kidnapping case.

Police Rescue Men, Kill Nine Kidnappers

PA2910024690 Bogota Inravision Television Cadena 2 in Spanish 1730 GMT 26 Oct 90

[Text] Nine kidnappers were killed this morning at San Pedro, Pasca Municipality, Cundinamarca Department. This occurred during a police operation to free three people who had been kidnapped. Here is Miller Sierra Pastrana, a businessman who was released.

[Begin recording] [Miller Sierra Pastrana] Two of the kidnappers said I was worth $3 million. They said that if they did not receive the money, they would have to hold me forever. I cannot even imagine that amount of money. They kept mentioning $3 million.

[Reporter] Did you believe you would be freed or that negotiations would be made to gain your freedom?

[Sierra] I knew the authorities were aware that I was kidnapped, but I did not have much hope; I thought we were going to be killed.

[Reporter] Why?

[Sierra] I could feel it. I overheard them on several occasions commenting on our situation; they kept saying that they would kill us.

[Reporter] What are your plans now that you have been freed?

[Sierra] I hope to get my life back to normal as soon as possible and resume my business growing crops as usual. I really do not know what lies ahead. [end recording]

We have just received these video recordings from the actual place where these events took place today. Businessmen Miller Sierra Pastrana, Jose Manuel Lopez Ochoa, and Jesus Lopez Ojeda, who were kidnapped months ago in Bogota, were freed by the police and were unharmed. Several types of weapons, including four Uzi submachine guns, four grenades, two pistols, and one revolver were confiscated during this operation.

At this moment, there are two criminal judges at San Pedro, Pasca Muncipality, who will order the removal of the bodies.

Violence Leaves 24 Dead in Wave of Killings

PA2610203590 Bogota Radio Cadena Nacional in Spanish 1200 GMT 26 Oct 90

[Text] Bogota—A wave of violence has swept across Colombia in the last few hours after the murder of 24 people, including five children, four soldiers, and three

labor leaders. In addition, 10 people are reportedly missing. The aforementioned incidents occurred in the departments of Cordoba, Cesar, Antioquia, and Cauca, the Intendancy of Arauca, and the nation's capital.

Authorities reported that in a poor neighborhood in the Tierra Alta municipality, southern Cordoba Department, armed men broke into three homes, killing nine people, including five sleeping children. The victims have been identified as Ana Isabel Flores Teran, Jose Agustin Olivero Perez, Rafael De Jesus (?Ayazu Martelo), and Guido Jose Bravo Hernandez. Three girls and two other children were also beheaded.

Meanwhile, three Army officers and one policeman died as they tried to deactivate a bomb allegedly planted by ELN [National Liberation Army] subversive elements in a bus terminal in the Saravena municipality, Arauca Intendancy. They have been identified as First Sergeant Jesus Hernandez Paez, Corporals Jose (?Nader) Duque Florez, and Luis Enrique Manrique Carrillo, and police agent Carlos Arturo Rueda Aldana.

Unidentified men shot labor leaders Pablo Gonzalez, John Jairo Gomez, and Isidoro Angulo, who were members of the Indupalma [not further identified] labor union and the National Association of Rural Land Users, ANUC, in La (?Yana) trail Las Palmas, jurisdiction of San Alberto municipality, southern Cesar Department. These killings have prompted a labor stoppage in the region. Authorities decreed no drinking in San Alberto Municipality.

Three alleged Medellin Cartel hired assassins were tortured and murdered inside a home in northern Bogota, where authorities found over 140 dynamite sticks. In a case linked to the previous one, 12 Cali citizens were kidnapped by several people in a hotel in downtown Medellin and were taken away in two vehicles to an unknown location. Authorities later found two of them murdered in the municipalities of Envigado and Itagui. They have been identified as Alvaro Sanchez Villa and Carlos Alberto Barrera, who had criminal records in Valle del Cauca Department.

Ecuador

Discontent Remains Despite Apparent Calm

PA3010024090 Paris AFP in Spanish 1924 GMT 28 Oct 90

[Text] Quito, 28 Oct (AFP)—Congressional censure of former Government (Interior) Minister Andres Vallejo, together with the stability of the new Congress president, socialist Edelberto Bonilla, has left Ecuador with an apparent political calm, yet an important segment of the country nevertheless remains unhappy.

On 26 October, Vallejo was censured by a vote of 40 of the 68 deputies. The previous day he had announced his resignation as monetary board president because, according to local rules, he is not allowed to hold any public office, at least not during the current administration.

For President Rodrigo Borja, Vallejo's punishment was unfair and "an incredibly irresponsible act for the country," as he said last night on a television program.

Vallejo, who is considered Borja's "right-hand" man, announced that he will reopen his financial consulting office, which has been closed for the past four years, since he was elected congress deputy and president. Vallejo did not rule out that he may give advice to the government on political and economic matters.

Vallejo admitted that by being replaced, it makes possible consolidation of support for the new Congress president, socialist Edelberto Bonilla, who was elected 10 days ago by a new majority, which moments had before ousted populist Averroes Bucaram.

The maneuver by the new majority, which claimed alleged regulation violations by Bucaram, was rejected by sectors who support Bucaram. This caused two days of simultaneous congressional meetings—one headed by Bonilla and another by Bucaram.

Because Bucaram did not have a quorum and Vallejo had already been summoned to a political trial, this forced Ecuadoran Roldocist Party (PRE) deputies to attend the congressional sessions headed by Bonilla, while right-wing members of the Social Christian Party (PSC) only went to vote for the censure.

PRE and PSC deputies insist on not recognizing Bonilla, because they claim that Bucaram's ouster was illegal. The PSC, which won the congressional elections, was founded by former President Leon Febres Cordero (1984-1988) and has announced that it does not intend to return to the single chamber congress.

[Jaime] Nebot, Bucaram, and Febres Cordero have insisted on calling Borja a "dictator." Nebot has announced that resistance by the people has been called to face "the dictatorship" through peaceful marches.

Borja has rejected descriptions of him as a "dictator" and said that democracy is defended by the people, political parties, the Armed Forces, universities, trade unions, and the national government.

Paraguay

President Rodriguez Downplays NCO 'Plot'

PY3010015090 Asuncion HOY in Spanish 28 Oct 90 p 8

[Report by Victor Franco]

[Text] President Andres Rodriguez yesterday reasserted that there is no reason to worry about possible unrest—even less so within the Armed Forces.

Rodriguez downplayed the incident caused earlier this month by a group of NCO's and sergeants who were reportedly involved in an uprising which has never been clearly explained.

Rodriguez at the time told the media that the incident was more like mischief by "youths who have barely outgrown their diapers and already feel like Marshal Lopez." He thus denied rumors on an alleged plot and labeled as irresponsible the NCO's and sergeants of the NCO School in Villa Hayes, who reportedly submitted demands to the Armed Forces chief of staff.

At a ceremony to dedicate facilities at the 3d Cavalry Division headquartered in Curuguaty, Rodriguez said: "Those people were not involved in any plot. There is no possibility of such a plot."

Rodriguez said that investigations to clarify the situation are continuing. He said that nobody should be thinking about a plot "because we do not believe that a 19-year-old boy can conceive of things that he will later carry out with the support of his colleagues, because they have no reason to do it."

Concerning statements by the detainees' relatives that they were reportedly tortured, Rodriguez said:

"I categorically deny it, because we have defended human rights from the very first." He made it clear that in his capacity as chief of state he "has always ensured that laws are complied with and legal rules are observed. I swore to comply with the law and to ensure that the law is obeyed."

Rodriguez said that those involved in the alleged plot are being held at General Command Headquarters. He added that as soon as investigations conclude, legal action will be taken if the defendants are found guilty.

Government Spokesman Denies Stroessner's Return

PY2910175690 Asuncion ABC COLOR in Spanish 29 Oct 90 p 5

[Excerpt] [Passage omitted] Juan Ernesto Villamayor, under secretary for information and culture of the Presidency, has flatly denied reports that negotiations are under way between the Paraguayan Government and former dictator Stroessner to allow the latter to return to the country.

Villamayor said that he was personally against Stroessner's return because "this is not the political time for it."

Villamayor noted, however, that he is in favor of Stroessner's return to face the criminal charges raised here against him, "but I am against his return if he is just going to come as a tourist as though nothing has happened."

The report on the alleged negotiation for Stroessner's return was released a few days after Stroessner was indicted for the first time on torture charges. These have been filed against him by Captain Napoleon Ortigoza [former political prisoner under Stroessner regime].

It has been reported by court sources that if adequate evidence is produced, the court could order Stroessner's imprisonment and could initiate the required procedures to have him extradited by the Brazilian courts.

Peru

Commission To Investigate Alan Garcia's Accounts

PY2710214890 Madrid EFE in Spanish 0528 GMT 25 Oct 90

[Text] Lima, 24 Oct (EFE)—Deputy Fernando Olivera reported in Lima today that his commission will send at least 2,000 letters to foreign commercial banks to find out whether former President Alan Garcia has accounts with any of them.

Deputy Olivera, president of the Chamber of Deputies commission investigating the former president's assets and charges of his presumed illegal riches, said the commission will conduct "an in-depth investigation" and will use "all available resources" to "do a good job."

Olivera charged, among other things, that Garcia owns real estate worth $300,000 when his income over the past five years was only $60,000.

During testimony before the commission, the former president submitted a detailed report on his income over the last decade, which he said shows he earned more than the cost of the residences he owns in the Lima residential neighborhood of Chacarilla del Estanque and the exclusive seaside resort of Naplo, 70 km south of Lima.

Garcia said he purchased his home in Lima two months before assuming the presidency for a five-year term in July 1985.

"We want to conduct an in-depth investigation, and we expect, among other things, to send letters to some 2,000 foreign banks to verify whether Garcia has an account in any other country," Olivera said.

According to the Peruvian Constitution, the former president has become senator for life; however, he recently asked the Senate president to void his congressional privileges to take his case to the Supreme Court and sidestep the congressional inquiry.

The Senate has not yet reached a decision on Garcia's petition.

Government Concerned About Chilean FAE Bomb

PY2710123290 Lima LA REPUBLICA in Spanish 23 Oct 90 p 13

[Excerpts] The Peruvian Government is seriously studying the ramifications of the fuel-air explosive bomb (FAE). The

production of this bomb by a Chilean private company has awakened concern throughout the continent.

It has been explained that this bomb is as powerful as a tactical nuclear device.

Peruvian Foreign Ministry and Armed Forces experts and their advisers from the Peruvian Institute of Nuclear Energy are preparing a study on the characteristics of the new bomb and the consequences of its use.

Peruvian Government sources have indicated that the study will probably be ready in two weeks.

The sources added that the production of this bomb, even by a private company "introduces an element of confusion and distrust into the atmosphere of understanding achieved between Peru and Chile," according to a reliable Peruvian Foreign Ministry source. [passage omitted] Peruvian nuclear physicist Modesto Montoya has confirmed that Chile cannot manufacture a nuclear bomb, but it can produce one whose basic component is ethylene oxide, a gas that evaporates at 12 degrees centigrade and is usually used as a fungicide to preserve food.

He said that the Chilean bomb is not based on this principle, but that ethylene oxide has other properties. It reacts with other substances and becomes "ethylene glycol," which is highly explosive.

Montoya explained that the FAE is five times more powerful than any other conventional weapon, and its shock wave expands very swiftly in a large radius.

It may reach a temperature of 200 or 300 degrees centigrade, enough to kill living organisms while buildings are left standing. [passage omitted]

Felipe Osterling, chairman of the Senate Defense Committee, voiced his concern over the reports that Chile may have a bomb similar to a tactical nuclear device.

Osterling said that it would be very unfortunate if this were the case at the very time when the countries of the region are making an effort to use their resources to resolve problems.

Government To Sell 70 Percent of Aeroperu Shares

PY2710210690 Lima EXPRESO in Spanish 23 Oct 90 p 2

[Excerpts] Aeroperu [Peruvian State Airlines] Board Chairman Rodolfo Elmore Holting announced yesterday that the Peruvian Government will privatize Aeroperu with the state retaining a minority block of shares and turning 70 percent of the shares over to national and foreign private investors.

Elmore explained that the privatization of Aeroperu will begin in four months, after the company has been "streamlined and reorganized." He added that when the current administration received Aeroperu, it was plagued by management, technical, and commercial problems, and financial shortfalls. [passage omitted]

Elmore also reported that he is holding talks with foreign airlines like Viasa [Venezuelan International Airline—Venezolana Internacional de Aviacion], Pan American, Varig [Rio Grande Airline—Viacao Aerea Rio-Grandense], Aeromexico, and others on signing cooperation agreements. There are also proposals for joint ventures [preceding two words in English] with Alitalia, Saudi Air, Iberia, Lufthansa, and Korean Airlines, which would allow Aeroperu to increase its number of planes. [passage omitted]

Statistics on Antidrug Struggle Reported

PY2710141890 Lima EL COMERCIO in Spanish 21 Oct 90 p A12

[Text] During its struggle against drug trafficking, over the past five years the Drug Police Division of the National Police (Dipod) located and destroyed 325 clandestine cocaine processing laboratories in the Alto Huallaga jungle area (in San Martin and Huanuco Departments).

Over the same period, the Dipod destroyed 1,357 maceration pits and more than 50 clandestine airstrips used by the drug traffickers' airplanes to carry drugs to the Amazonian Trapezium in the jungle areas on the Colombian and Brazilian borders.

Meanwhile, about 24 small airplanes were intercepted and seized from the drug traffickers. It is presumed that more than 500 clandestine laboratories, which cannot be located because of dense vegetation, are currently operating in the Alto Huallaga area.

It must be remembered that agents from the U.S. Drug Enforcement Administration (DEA), a government agency involved in the struggle against drug trafficking, are cooperating with the Dipod personnel.

According to statistics released by an Interior Ministry source, a total of 707 antidrug operations were conducted in the first nine months of 1990, while 824 antidrug operations were conducted in 1989.

So far this year 975 drug traffickers of both sexes and various ages have been arrested, and a total of 23,074 kg of drugs (including crude, washed, and liquid paste, cocaine hydrochloride and marijuana) have been seized.

It has been reported that the increase in the number of helicopters the U.S. State Department has provided to the Dipod has helped in carrying out more effective antidrug operations in Alto Huallaga. The helicopters now total 11.

According to the statistics, from 1985 up to this year some 5,986 drug traffickers have been arrested, and 163 tons of drugs, 11,798 gallons of fuel, 426 vehicles, and 372 weapons (including revolvers, submachine guns, pistols, and shotguns) have been seized. A total of 9,899 antidrug operations were conducted between 1985 and early October 1990, of which 2,951, the highest number of operations, were carried out in 1986.

The Air Police Division of the National Police [DIPA] has carried out an efficient antidrug campaign. Antidrug experts have said that the DIPA is an essential agency for the continuous airborne operations that are being carried out.

The DIPA is currently operating in the Alto Huallaga Valley, which extends from Huanuco to Sion (San Martin); to the west as far as Monzon; to the east as far as Aguaytia; and even as far as Pucallpa.

The DIPA is involved in antidrug operations as well as in civic action.

Two months ago DIPA personnel assisted a pregnant woman who gave birth to her baby in a small plane that was carrying her to the hospital in Tingo Maria.

A Dipod spokesman reported that airspace violations by small Colombian planes that arrive in Alto Huallaga to load drugs will be solved by installing radars or using aircraft to intercept them.

Paper Reports Terrorist Action Throughout Country

PY2710222290

[Editorial Report] Lima EXPRESO in Spanish on 23 and 24 October carries reports on terrorist activities in various parts of the country.

The 23 October issue carries a 250-word article on page 6 reporting that in the Las Palmas region, 200 km from Ayacucho, Shining Path members armed with rifles and submachine guns murdered 16 peasants whom the terrorists accused of being peasant patrol members. The same article reports that nine powerful explosions were heard in Ayacucho following a blackout caused by the toppling of two high-tension towers in Mollepata and Andahuarpuna.

Also on page 6 of that issue, the newspaper carries a 200-word report about the toppling of three high-tension towers in the Huayhuas zone, 40 km north of Ayacucho, and the murder of a peasant in Huascaran, 15 km from Ayacucho. The peasant had refused to support the terrorists. The same article reports the seizure and destruction of two interurban buses by about 20 terrorists in Tocto, Cangallo Province.

The same issue of the newspaper also carries on page 6 a 150-word article reporting that two terrorists dynamited the Peruvian Chamber of Construction [Camara Peruana de la Construccion] building on the night of 22 October, causing substantial damage but no casualties. The article reports that the terrorists also left a powerful bomb inside a car, and police deactivated the bomb.

In its 24 October issue, the newspaper carries on page 12 a 300-word report on a shoot-out between policemen and terrorists who were caught trying to dynamite the Lince City Hall. The report says that terrorist Julio Cesar Munoz Collantes died in the clash and a policeman was seriously wounded. The report adds that the police seized explosives and propaganda belonging to the Tupac Amaru Revolutionary Movement.

In the same issue on page 6, the newspaper carries a 200-word report datelined Huancayo about the murder of Army noncommissioned officer Abel Canales Verastegui by Shining Path terrorists in Tambo District on 23 October. The report adds that on the same day, a Shining Path group seized the town of Huachac, 20 km from Huancayo, set the city hall on fire, and killed Peruvian Peasant Federation leader Tino Apolinario Lopez Hilario in front of his wife and younger son.

Also in the same issue on page 6, the newspaper carries a 150-word article reporting that on 23 October, bomb squad members deactivated at least 15 powerful dynamite bombs and removed sickle and hammer flags left by Shining Path members at the University of San Marcos, the Agrarian University, and the UNI [National Engineering University]. The report says that police raided the three universities and several areas of Lima, and some 700 people were arrested in the wake of the intensification of terrorist activities in Lima and the provinces.

Terrorists Kill Two British Ornithologists

PY2910110890 Madrid EFE in Spanish 1838 GMT 28 Oct 90

[Text] Lima, 28 Oct (EFE)—The newspaper LA REPUBLICA reported today in Lima that British ornithologists Michael Alan Entwisle and Timothy Peter Andrews [names as received] have been murdered in the Peruvian jungle by Shining Path terrorists who mistook them for DEA [Drug Enforcement Administration] agents.

According to the newspaper, the ornithologists died on 11 June 1990, a week after they were abducted and tortured by Shining Path terrorists in "Bella Alta," a location near the "Owls' Cave." This spot is well known among bird watchers because it is inhabited by a large variety of owls.

The British Embassy in Lima has declined to comment on the newspaper report which claims to be based on reports by witnesses from Tingo Maria, 800 km northeast of Lima, where the Owls' Cave is located.

The newspaper report considers it incredible that the terrorists mistook two scientists, who went there just to research exotic birds, for DEA agents.

LA REPUBLICA adds that the bodies of the scientists cannot be retrieved because there is "no guarantee that officials could reach the place, which is considered a Shining Path stronghold and avoided by most people."

It adds that "only with the support of the Army" can one "more or less" dare to enter the zone where the ornithologists were killed.

According to the newspaper, Entwisle, 29, obtained his passport in Newport, England, although there is no record at the migration department of his entrance in Peru. Andrews, however, arrived in the country by boat from Brazil according to a police report from Puerto Alegria, Loreto province, near Tingo Maria.

On 27 September, the British Embassy in Lima reported to the Missing People and Rescue Division that the ornithologists were missing and contacted radio stations in Tingo Maria, calling on the public for information on the two British citizens.

Uruguay

Tupamaros Urge People To Repudiate Bush's Visit

PY2610160690 Madrid EFE in Spanish 2333 GMT 25 Oct 90

[Text] Montevideo, 25 Oct (EFE)—The Uruguayan Tupamaro National Liberation Movement [MLN-Tupamaros], the former guerrilla group, today called upon the people to organize a "popular counterdemonstration" against U.S. President George Bush, who will arrive in Montevideo on 4 December on a two-day official visit.

The Tupamaros, a former urban guerrilla group, were involved in intense activity in the late 1960's and at the beginning of the 1970's. They were responsible for the death of U.S. diplomat Dan Antoni Mitrione.

The Tupamaros were ousted by the Uruguayan military in the 1973 coup d'etat. They were arrested and sent to jail until democracy was restored in 1985.

The Tupamaros' mouthpiece MATE AMARGO states in its editorial that "it is sure that the Montevideo residents will be banging pots and pans to repudiate the visit of the invader of Panama, and that the social and political organizations of the working sector will not remain silent."

President Bush will visit Uruguay as part of a tour of South American countries, including Argentina, Brazil, Chile, and Venezuela.

The Tupamaros are involved in legal political activities and are members of the Broad Front leftist coalition," [quotation marks as published] along with the communists, socialists, Maoists, Trotskyists, and independents.

In the general elections held in November 1989, the Tupamaros did not launch their own candidates, but they publicly supported a sector that obtained a seat for a deputy among the 99 who were elected.

Soviet Mission Seeking Financing From Bank

PY2710134890 Madrid EFE in Spanish 0751 GMT 26 Oct 90

[Excerpts] Montevideo, 26 Oct (EFE)—A delegation of Soviet officials is trying to get the Bank of Uruguay to finance Soviet imports, according to diplomatic sources in Montevideo.

The negotiations with the largest Uruguayan bank have been prompted by the difficulties that the Soviet Union has encountered in paying for the products, mainly wool, that it has imported this year.[passage omitted]

Berkowtiz [not further identified] said: "The Soviet banks have promised to pay for the shipments that they have already received before the end of 1990."

Approximately $18 million worth of wool purchased by the USSR is being held at Uruguayan warehouses. Through August this year Uruguay had exported to the Soviet Union $63.3 million worth of wool, 71.5 percent more than in 1989.

Uruguayan imports from the Soviet Union have risen from $3.7 million in 1989 to $14.1 million so far this year.

Communist Party Leaders Accused of Spying

PY2710172090 Madrid EFE in Spanish 0003 GMT 27 Oct 90

[Text] Montevideo, 26 Oct (EFE)—Pascual Latronico, a former leader of the Communist Youth Union [UJC], charged today that a paramilitary group and an information office which kept watch on the Armed Forces, the ruling Blanco Party and the opposition Colorado Party were at the service of the Uruguayan Communist Party [PCU] even before the 1973 coup d'etat. This report upset the Uruguayan political sector, and the communist leaders accused of involvement in the affair denied their colleague's statements.

Latronico told the press that people close to former President Jorge Pacheco Areco provided information to the PCU. The Pacheco Areco's administration had to deal with Tupamaros guerrilla activity until 1971.

Latronico said the PCU bugged the residence of late Blanco Party Senator Dardo Ortiz.

Latronico directly alluded to current Deputy Leon Lev, Government Youth Union [UJC] secretary general at that time, and to current PCU Secretary General Senator Jaime Perez. Lev and Perez were jailed by the military regime that ruled the country (1973-84), while the late PCU Secretary General Rodney Arismendi went into exile in the Soviet Union.

Latronico was also held in the Uruguayan prisons from 1975 to 1978.

Latronico publicly admitted that he was a member of the information service and that he was aware of those who infiltrated the political parties and the Armed Forces.

He said that the persons who provided the information were not outsiders who infiltrated the parties or the Armed Forces but actual party members or military men who, in one way or another, became communist spies.

Lev denied Latronico's statements and asked to meet with current Defense Minister Mariano Britos to explain his situation as a PCU member and deputy.

This information was disclosed apparently as a result of the intense struggle between PCU conservatives and those who support the changes taking place in East Europe and the Soviet Union.

Decree Reduces Number of Military Attaches

PY2710205490 Montevideo BUSQUEDA in Spanish 18 Oct 90 p 12

[Text] The executive branch has reduced the number of military attaches from 30 to 20 and has eliminated the position at the embassy in Peru.

Defense Ministry sources told BUSQUEDA that the decree was signed on 16 October, but it will be implemented over "the next few months" because of "protocol requirements" involved in creating or eliminating positions.

In the future, Uruguay will have five military attaches in the United States (including one at the United Nations), four in Brazil, three in Argentina, two in the United Kingdom and Chile, and one in Spain, France, Paraguay, and Venezuela.

Falklands Seek Provisions in Montevideo

PY2910133090 Madrid EFE in Spanish 1920 GMT 28 Oct 90

[Text] Montevideo, 28 Oct (EFE)—A delegation of the Malvinas Islands Association of Enterprises [Asociacion de Empresas de las Islas Malvinas] arrived today in Montevideo seeking a regular supply of provisions for the islands over which Argentina and Great Britain fought in 1982.

The delegation will remain in Montevideo until 1 November to study the possibility that Uruguay will supply services and provisions in general, especially food, construction materials, and agricultural machinery and accessories.

Traditionally, the Malvinas Islands received supplies from Montevideo until the mid-1970's, when agreements with Argentina provided a much nearer point of supply.

The 1982 war changed the situation, however, and until a few months ago, when a rapprochement took place between London and Buenos Aires, supplies arrived directly from Great Britain or other northern countries with their correspondingly high transportation costs.

The fact that Uruguay supported the Argentine claim for sovereignty over the islands has prevented the reestablishment since the end of the war of a normal supply of provisions to the Malvinas Islands from Montevideo.

The establishment of a regular sea link between the Malvinas Islands and Montevideo was the result of negotiations and frustrated attempts to firm up agreements. This situation can be reversed now that businessmen and industrialists from the islands are seeking trade agreements with Uruguay.

Police Report Theft of Radioactive Nickel

PY2710223890 Montevideo LA HORA POPULAR in Spanish 17 Oct 90 p 19

[Text] The theft of radioactive material in downtown Montevideo can have grave consequences.

The Security Directorate, through its Public Relations Department, has issued a communique saying that the Second Police Precinct received a report stating that two sacks containing clothing, tools, and a cell of nickel 63 were stolen from the trunk of a yellow Peugeot 504 that was parked near the corner of Ejido and Canelones.

It is important to stress that this object contains a radioactive substance and could be very dangerous if touched.

The communique adds that the Argentine-manufactured substance is in a hermetically closed container that must not be opened.

Venezuela

Energy Minister Warns of Winter Oil Shortages

PA2610135790 Hamburg DPA in Spanish 1417 GMT 25 Oct 90

[Text] Caracas, 25 October (DPA)—Venezuelan Energy and Mines Minister Celestino Armas has urged industrialized countries to free up their crude oil reserves because OPEC countries will be unable to cover northern hemisphere oil demands this winter.

The energy and mines minister, in statements to the press, underscored the need for producers and consumers to reach concerted agreements to ensure the supply of crude oil and derivatives during the Persian Gulf crisis.

Armas said that Venezuela hoped to establish a price of between $20 and $25 a barrel of crude, but added that $19 seemed "reasonable."

Recently, Venezuelan President Carlos Andres Perez proposed a meeting be held between OPEC representatives and consumers under the auspices of the International Energy Agency (IEA).

According to Armas, industrialzied countries have accumulated large amounts of crude reserves. Armas urged that these reserves be freed up to stabilize oil supply and demand, which experienced a crisis following the blockade against Iraq after it invaded Kuwait.

Article Comments on Orinoco Oil Belt Reserves

PA2810215390 Caracas EL UNIVERSAL in Spanish 7 Oct 90 p 1-4

[Column by Valmore Acevedo]

[Text] Venezuela has the largest heavy and extra heavy oil reserves in the world. According to some conservative estimates of Pdvsa [Venezuelan Petroleum, Inc.], approximately 270 billion barrels can be recovered from the Orinoco Belt alone. Such a volume can only be compared to the reserves of the oil-producing countries of the Persian Gulf.

This extraordinary potential, which science and technology will make more profitable every day, places Venezuela in a special position in the world energy picture, inasmuch as the Gulf countries and Venezuela will have practically all of the world's oil reserves. If we were to immediately embark on a program to increase our production potential in the short-term by at least five million barrels per day, we would become one of the main suppliers of crude oil and petroleum.

The reason why most of the production of petroleum-exporting countries comes from the Middle East is because the large reserves of the Orinoco Belt have not yet been exploited; it is only now that science and technology are available for a profitable production. Once the scientific and technological barriers are lifted, within a short period of time we will have a more powerful role in the world market for petroleum. This substantial increase in our power as a producer entails greater responsibility because of the very basic role our petroleum could play in the development of the world economy. The entire world is terrified as it watches us reach the brink of a terrible war because of the struggle to control the large oil resources of the Gulf. As I write these lines, diplomatic efforts to find a peaceful solution to the conflict have managed to prevent the unleashing of a war. The entire world hopes that such efforts will be successful.

Once the crisis is over—which is what we all want—the main producing countries will continue to have the responsibility of meeting the energy needs of consumers. Then, more than ever before, Venezuela must use all its diplomatic and political resources so that OPEC can recover its role as an organization that defends the prices and interests of the oil-producing countries. Both in the majority of the Gulf countries and in Venezuela, we clearly understand that petroleum prices cannot be so low that they eliminate from the market the high-cost oil wells of the United States, or so high that oil will be replaced by other sources of energy that, at the current prices, are not economically feasible.

All of these circumstances affect the producer and consumer countries in one way or another; this entails the demand for international energy cooperation. In a paper I presented in April 1988 before the First International Congress of Energy Law, I upheld the need to create "an international organization of energy cooperation. It will serve as a basis for an international community of energy, through which we can achieve the objectives for convening this Congress, such as finding mechanisms capable of ensuring the peaceful use of the various sources of energy." Because I am so thoroughly convinced of the proposal I presented at that time, I assign great importance to the proposal that President Carlos Andres Perez just made before the UN General Assembly promoting a summit among countries that consume and produce petroleum.

This proposal was also brought up by Former President Rafael Caldera when he was in office. Unfortunately, the circumstances, and above all the mentality that prevailed among the main consumer countries, precluded acceptance of the proposal at the time. The fact that we are so close to war today will make the main petroleum importing countries be more careful. It will also help convince them of the advantages that international energy cooperation will have for world peace and the for peoples' growth and development.

* Fedecamaras Study Assesses Economic Reforms

91SM0013C Caracas VIERNES in Spanish 21-27 Sep 90 pp 8-9

[Report by Alfredo Sanchez R. on the document issued by the Venezuelan Federation of Associations and Chambers of Commerce and Industry]

[Text] In evaluating the adjustment program, Fedecamaras [Venezuelan Federation of Associations and Chambers of Commerce and Industry] criticized the imbalance between the speed with which macroeconomic policies are being applied (the stabilization plan) and the slowness of the structural adjustments. The upshot, in its judgment, is that Venezuela has been plunged into a deep economic recession.

In this view, the stabilization plan, which includes exchange-rate and monetary measures and price controls, has been carried out on schedule and has made gains in balancing payments and external accounts. In contrast, the structural adjustment of the economy is moving forward too slowly, mainly in the areas of privatization, the overhaul and reconversion of the public sector, the reform of economic legislation, the reform of the financial system, and the establishment of judicial security.

In its document "Diagnosis, Conclusions, and Proposals of the 66th Annual Assembly of Fedecamaras," the country's leading business organization warns of an imbalance in the sacrifices that the public and private sectors of the economy have had to make. According to its analyses, the private sector has borne the brunt of macroeconomic policies.

Reaffirming a position that has become a banner of Venezuelan and, in general, Latin American businessmen, the document focuses its attention on the privatization of the economy and the shrinking of the public sector.

The critical support that Fedecamaras gives to the "package" deserves special mention. Businessmen are among the government's most important supporters in implementing the big turnaround. From the beginning this sector has expressed its satisfaction with the direction of the administration's economic policy. Now, however, 18 months after Carlos Andres Perez assumed the presidency with his team of "IESA [Institute of Higher Education for Administration] boys," Venezuelan businessmen are not hiding their displeasure over certain departures from and delays in the administration's measures.

Fedecamaras leaders probably took Carlos Andres Perez at his word when he spoke at the close of the Fedecamaras Assembly in July of this year. On that occasion Perez pledged to businessmen that he would respond to their proposals and positions within 30 days after they submitted them to him.

Fedecamaras has done so and between late September and early October it will surely be eagerly waiting for the Executive Branch to send over its impressions of a document in which businessmen clearly set forth their position on the course of the economic measures and on the country's overall situation. The document seems to have taken a quite broad approach, as it includes observations on political and social developments in Venezuela.

It is important to emphasize that above and beyond its objections, Fedecamaras has underscored its clear-cut support for the general direction of the economic program. It criticizes only certain shortcomings in its implementation.

The leading business group realizes that very few sectors are behind the government on its program of adjustments. The Executive Branch has virtually no political floor under it, as the "package" is being challenged by most segments of Venezuelan society and particularly strongly within Democratic Action (AD) itself. Therefore, the Fedecamaras document takes care to be critical but not belligerent. It maintains a tone of support for the course that has been taken but advocates caution about certain aspects that in its opinion represent serious deviations.

Eddo Polesel has even stated that the document's purpose is to offer "a different approach that will bring order to the discussion" of the adjustment plan.

The Initial Mistake: The Idea of Adjustment Without Recession

In its diagnosis Fedecamaras says that the administration made "a big mistake" by implementing the plan in the belief that there could be an adjustment without recession. Implicit in this approach was the idea that heavy government spending based on oil revenues could finance economic and social development.

The result of this approach was sudden change, which hit the private sector particularly hard and prevented it from coping better with the country's new economic circumstances.

The fact that Venezuela is currently in a recession was not part of the Executive Branch's original plans. Fedecamaras emphasizes that in this situation the private sector is being hardest hit, as its level of activity is declining sharply.

To overcome this problem Fedecamaras has suggested that the Executive Branch adjust its policies to the recession that the country is in. In his remarks to the mass media, in fact, Eddo Polesel said that there was "a very wide gap between what is being planned and reality." In other words, Fedecamaras is urging the administration to keep more in touch with the situation in Venezuela in formulating its economic plans.

Reform of the State

The graphs in the document are based on estimates about what the current administration has and has not done so far. Fedecamaras indicates what pace it considers appropriate for the plan and points out the delays in carrying it out.

As for the reform of the State, the assessment of Venezuelan businessmen is distressing. According to the document, no headway has been made on the following points: democratization of the parties, democratization of social organizations, reform of the Judiciary, and administrative reform.

Even though the Executive Branch and politicians in general have pointed to the reform of the electoral system and the decentralization of government as major accomplishments, Fedecamaras feels that the pace of progress in these two areas is barely half of what it deems appropriate.

To judge by the document's assertions, Venezuela has lost two years in reforming the State and would have to move ahead at a very fast pace in order to comply with the timetables that Venezuelan businessmen regard as appropriate.

In their document the businessmen take the approach that the reform of the State ought to be speeded up "so that government institutions can be straightened out, political and social organizations modernized, and suitable economic legislation passed."

The Proposal

Fedecamaras says that the starting point for a concerted transformation of the country is the abandonment of the theory that government spending is the basis of economic development. In this regard it feels that it is "imperative" to control government spending and to reduce the budget deficit in order to stem inflationary pressures, which deplete firms of capital and cause the real wages of workers to shrink.

Implicit in this position is the idea of revamping the public sector by privatizing its enterprises. Elsewhere in its proposal Fedecamaras calls for quick reform of the State, which it sees as extremely important if the country is to have leadership and legislation consistent with the changes that it requires.

The implementation of the Transition Plan merits special attention. This plan ought to begin with an analysis of the country's overall situation, taking stock of and assessing existing programs in an effort to coordinate or reformulate them so that the goals of the current economic policy can be achieved.

The Transition Plan would extend until 1996 and has two main facets: social initiatives and measures to support the reconversion of the economy.

In the social realm, the transition period will last six years and can be broken down into three categories: aid for families, direct assistance, and retraining for the unemployed.

Aid to families consists of actions for the social and cultural improvement of the family unit.

The purpose of direct assistance is to eliminate consumer subsidies so that only the neediest groups are helped. This is the case with the food grant. According to the Fedecamaras timetable, direct assistance ought to last until 1994.

Last comes the retraining of the unemployed, the objective of which is to enable people who have lost their jobs because of the adjustment to find new ones. This program includes the wage grant, unemployment insurance, and the reorganization on INCE [National Institute of Cooperative Education]. It would last until 1995.

These forms of aid for workers have been made temporary on the assumption that if the Venezuelan economy returns to a sound footing and becomes competitive in the medium term, wage-earners will again be able to enjoy a good standard of living without needing subsidies or aid.

The measures in support of an overhaul of the economy represent the other side of the coin. These measures, which could extend until 1995, include the expansion of financing programs for the sectors with comparative advantages and incentives for starting up companies that could "bolster our economy and expand the private sector's exports, thus creating jobs and wealth."

The Fedecamaras document, rather than taking a stand, firmly explains what the businessmen call the "comprehensive, concerted transformation of the country," in which all sectors of national life would take part. Eddo Polesel stated at one point that the administration is not paying attention to the private sector's arguments. It remains to be seen whether the Fedecamaras proposals will have any impact on the economic measures that the administration is carrying out.

Guyana

Hoyte Challenges Opposition To Detail Programs

FL2610154590 Bridgetown CANA in English 1450 GMT 26 Oct 90

[Report by Courtney Gibson]

[Text] Georgetown, Guyana, Oct 26, CANA—President Desmond Hoyte took his elections campaign to the 19th biennial conference of the country's oldest trade union this week, telling opposition parties to provide the Guyanese people with "clear and unequivocal" details of their plans for the economy.

Hoyte, who is president-general of the Guyana Labour Union [GLU], told the opening session of the GLU conference now that his People's National Congress [PNC] has committed itself to making a number of electoral changes the issue of free and fair elections will be removed from the political agenda.

The opposition parties which have contented themselves with "campaigning on the nebulous topic of free and fair elections" must now tell the Guyanese people about their programme, he said. Hoyte asserted that the parties must also give clear answers to the following questions:

1. Are they going to abandon the PNC government's programme of structural adjustment and its wider Economic Recovery Programme [ERP]?

2. Are they going to jettison the International Monetary Fund agreement?

3. Are they going to abandon the government's divestment programme?

Hoyte said the opposition parties must also answer the following questions:

1. Are they going to cancel the investment policy formulated by the PNC government and laid in the National Assembly?

2. Are they going "honestly" to tell workers that they will pay a daily minimum wage of 193.77 dollars (one Guy dollar = 2.2 U.S. cents) as they have been demanding the government should pay?

3. Are they going to retreat from the government's "constructive policy" of strengthened co-operation with Guyana's contiguous neighbours - Brazil, Suriname, and Venezuela?

4. Are they going to commit Guyana unreservedly to the principles and purposes of the Treaty of Chaguaramas and commit themselves fully to the Caribbean Community (Caricom) and the regional integration movement?

5. Are they going to maintain "the strong links of friendship and co-operation the PNC government has forged with the Commonwealth and other countries of this hemisphere?

Hoyte said there is no doubt the PNC will win the forthcoming elections for it has given firm, clear, and decisive leadership over the past five years; has not lied to the people; has not shied away from any difficulty; and has designed and is implementing a recovery programme that has the international financial community's support.

He also told the gathering which included about 160 delegates that abandonment of the Economic Recovery Programme at this stage could cause the country to "slip back some 50 years." "There must be no break in this programme.... What is needed now is continuity. We have made enormous gains over the past five years," Hoyte said.

He stressed that "a strong political will" would have to be maintained to continue implementing the ERP. "We have to take the hard decisions that we know to be right in all the circumstances. We have to give firm leadership and not pander to opportunism, even in the face of impending elections," Hoyte added.

Declining Dollar Worries Bankers, Consumers

FL2610173590 Bridgetown CANA in English 1633 GMT 26 Oct 90

[Text] Georgetown, Guyana, Oct 26, CANA—Governor of Guyana's Central Bank, Pat Matthews, says he is worried about spiralling rates at the Cambios here. His comment came after the Guyana dollar started trading at 100 for one U.S. dollar. He said if the Central Bank had foreign currency at its disposal, it "no doubt would have intervened." Consideration would, however, have to be given to resorting to other "market measures," to deal with the situation.

He would not be drawn on suggesting any specific measures but said these could include increasing interest rates. The bank rate here now stands at 30 per cent having been reduced from 35 per cent earlier this year.

The Guyana dollar on Thursday was trading at several Cambios here at rates of between 100 and 101 for one U.S. dollar. The value of the Guyana dollar has been declining steadily in recent months. But while many people had forecast the rate rising beyond the 100:01 mark (compared with the current 45:01 official rate), few had expected that mark to be reached before Christmas. The rate rose steadily but slowly in recent weeks (from about 89:01 at the beginning of October to 96:01 Wednesday) but shot up to the three figure mark Thursday.

Managing director of National Bank of Industry and Commerce, Raymond Ackloo, says the sudden jump was not due to any excess demand but was reflective of an adjustment to balance supply and demand. Many different reasons are being advanced for the continuing drop in the value of the Guyana currency. These include sagging levels of production in key sectors of the economy—among them the vital sugar and bauxite export sectors; capital flight due to nervousness about developments on the political front as the country moves towards national elections; and the business community's restocking for the Christmas season.

Businessmen and consumers alike are complaining about the effect the fall is having. The price of chicken, much of which is now being imported, has shot up in recent weeks from about 65 dollars to 95 dollars per pound.

"The Cambio rates and the prices seem to be rising by the hour and one wonders: When will it all stop? When will the bubble burst?" president of the Guyana Consumers' Association, Ms. Eileen Cox, said. She listed as "a good example of what is happening" the increasing price of nut butter—"one of my favourite products"—which has moved in recent weeks from 80 dollars to 120 dollars for a bottle.

Chairman of Demerara Distillers Ltd [DDL], Yesu Persaud is among the concerned businessmen. The DDL is currently locked in a four-month impasse with the government over the DDL's bid to increase its capital from 42 million to 100 million dollars as a basis for financing a new investment programme and Persaud says the delay in getting approval from the minister of finance could be very costly. He told CANA Thursday that whereas the Guyana/U.S. dollar exchange rate in June was 65:01, it was now 101:01.

"Assuming we needed 200 million dollars in June, we will now need about 300 million dollars. The whole thing is getting crazier every day, so the longer we wait (on the government for approval), the more expensive it becomes," he explained.

IDB Report Notes Nation's Economic Decline

FL2910235790 Bridgetown CANA in English 2209 GMT 29 Oct 90

[Text] Bridgetown, Barbados, Oct 29, CANA—Guyana's economy shrunk by almost a quarter and exports fell by a half during the decade of the 1980s, and the prospects for the immediate future are not much better, according to a report by the Inter-American Development Bank (IDB).

The report said real gross domestic product (GDP) was 23 per cent lower in 1989 than in 1980. Export earnings were 50 per cent less and the country's external debt, including arrears, reached U.S.1.9 billion dollars—almost 10 times the level of merchandise exports for the year. A country's GDP includes all personal consumer spending for goods and services, domestic private investment, and government spending for goods and services during the year.

The IDB is predicting that in the short- to medium-term, "GDP growth should be sluggish at best, while the external sector imbalance and fiscal deficit would worsen". This would be so in the absence of recovery in the key productive sectors of bauxite, sugar, and rice through measures in the government's Economic Recovery Programme (ERP).

"Throughout the 1980s, Guyana's principal exporting sectors—bauxite, sugar and rice—were hampered by mounting technical, organisational and financial problems, and labour unrest, which led to falling output and severe financial imbalances," said the report.

"Import shortages led to considerable underutilisation of capacity and to the neglect and subsequent deterioration of economic and social infrastructure which, together with growing manpower shortages, created major production bottlenecks in the second half of the decade," said the IDB review of Latin American and Caribbean member countries.

Guyana's public finances worsened throughout most of the decade, the IDB said, reporting that the overall government deficit widened from 17 per cent of GDP in 1980 to 59 per cent in 1985 before a short reduction in 1987-88. "But as central government expenditure increased and the state-owned sugar and bauxite corporations did not realise projected large revenues, the deficit jumped back up to an estimated 55 per cent of GDP in 1989," said the hemispheric development bank. The bank attributed this to a steady increase in the central government's current expenditure which was directly linked to the rapid expansion of domestic interest payments in the 1980s and to steady erosion of the revenue base deriving from the economic decline and the shifting of many activities into the parallel economy.

The IDB also reported on the failure of the ERP, which was launched in March 1989, to arrest the decline. The programme was aimed at financial stabilisation during its first year and ultimately long-term structural adjustment and economic recovery.

The stabilisation measures between April and December last year included a 70 per cent devaluation of the currency, full passing on to the public of the resulting price increases, a 20 per cent ceiling on public sector wage increases, an increase of the prime interest rate from 14 to 35 per cent, and the reduction of all foreign exchange retention accounts to 10 per cent of export earnings with the exception of bauxite. The stabilisation phase also called for steady reduction of the overall deficit of the non-financial public sector and current interest payments to multilateral financial institutions.

The International Monetary Fund sought a rescheduling of arrears on behalf of Guyana, including a bridge loan to repay arrears to the IMF, the World Bank, and the Caribbean Development Bank, and monitored progress of the stabilisation process.

The IDB said that although most of the measures set out were taken, the targets set out were not met owing to prolonged strikes in the sugar and bauxite industries, and failure to adjust the official exchange rate in accordance with currency depreciation in the parallel market.

"Instead of growing by a projected five per cent in 1989, real GDP fell by five per cent. Output declined in virtually all sectors of the economy, with the traditional export sectors contracting sharply," said the bank. It listed the reasons as severe supply constraints including power outages, foreign exchange shortages, insufficiencies of skilled manpower and in the case of sugar and bauxite, extended labour strikes associated with the loss in real wages which followed the April 1989 devaluation.

The IDB noted that Guyana was able to reschedule some U.S.782 million dollars of the 1.185 billion targeted in the stabilisation programme and it got 28 million dollars in balance of payments support. But it said debt reduction and balance of payments support were disappointing.

"New external financing was tight and critical imports to restore production were constrained, so that the impact of the ERP in removing supply constraints were negligible in 1989. Furthermore, loss of foreign exchange earnings resulted in increased arrears to the multilateral financial agencies, estimated at 200 million dollars at the end of February 1990 as against 180 million dollars at the beginning of the ERP in April 1989," the IDB said.

GUARD 'Pondering' Role in Future Elections

FL2910195490 Bridgetown CANA in English 1908 GMT 28 Oct 90

[Text] Georgetown, Guyana, Oct 28, CANA—Guyanese Action for Reform and Democracy (GUARD), a vocal anti-government pressure group here, says it is pondering its future role following the government's decision to introduce several electoral reforms.

GUARD, whose membership includes many prominent Guyanese citizens, was in the forefront of a recent campaign for changes to allow free and fair elections. Opposition parties have accused the ruling People's National Congress (PNC) of rigging past elections.

In a statement, GUARD gave no clues about its likely future role. The organisation, however, is known to be considering as one of its options, the fielding of its own slate of candidates in the forthcoming national elections. Another of its options is fielding a joint slate with some opposition parties.

GUARD said it remained convinced fielding a joint slate of candidates against the PNC was the best approach for the opposition forces. However, the statement noted that the search for unity among the opposition groups "appears to have been virtually abandoned." Against this backdrop, GUARD said it was pondering its own role for the next phase in the struggle for democracy.

"When that review is completed, which is expected shortly, a full statement will be made available," GUARD said.

GUARD, meanwhile, called on Guyanese to remain on guard to ensure that the promised electoral reforms were implemented as soon as possible. The reforms include a revision of the voters list through house to house enumeration and the preliminary counting of votes at the place of poll.

GUARD said "the last remaining hurdle" to be cleared on the way to free and fair elections in Guyana, was the restructuring of the elections commission.

"...The commission is the key to the integrity of the electoral process without which the door leading to democracy will remain closed," the organisation said. GUARD said, however, that the issue of reform should not be a matter to be resolved only by the country's two major political parties—the PNC and the main opposition People's Progressive Party (PPP).

To date, President Desmond Hoyte has held discussions on electoral reforms only with minority leader Dr. Cheddi Jagan of the PPP. This has reportedly prompted some conflict between GUARD and the PPP adding to the uneasiness between the two due to disagreements over whether Dr. Jagan or GUARD's candidate, Ashton Chase, should be the opposition's consensus presidential candidate for the forthcoming elections.

China To Provide Technical Support in Ventures

FL2910143590 Bridgetown CANA in English 1904 GMT 27 Oct 90

[Text] Georgetown, Guyana, Oct 27, CANA—Guyana and China have agreed to cooperate in several areas to re-establish trade links, the official Guyana Public Communications Agency (GPCA) reported Saturday. GPCA says the agreements were reached at the fourth session of the Guyana-China joint commission held recently in China.

In keeping with one of the key decisions, Sanata Textiles Ltd., a cloth-making company established here a decade ago with Chinese assistance, will soon be managed by a Chinese team. The two sides have also agreed to consider a number of joint venture projects and a four-man Chinese team is already in Guyana conducting a survey related to joint ventures for the production of garden furniture and other wood products.

Other teams of Chinese technicians are expected here before year-end to conduct feasibility studies for the projects so that implementation could begin early next year, GPCA said. It said the joint commission meeting also decided that Guyana would receive technical assistance for the development of commercial duck farms, and for fish and shrimp culture.

China will also supply equipment and raw materials for a local road rehabilitation programme, in addition to providing technical assistance for a number of small-scale projects to be administered by the Guyana Manufacturing and Industrial Development Agency (Guymida). GPCA said the two sides also discussed details pertaining to a 600,000 U.S. grant and a six million U.S. dollar loan Guyana received from China earlier this year.

The four-member Guyana delegation to the joint commission meeting was headed by Agriculture Minister Dr. Patrick McKenzie while the Chinese team was led by Zheng Tuobin, minister of the Ministry of Foreign Economic Relations and Trade.

Nation Fails To Meet EEC Sugar Quota

FL2910203090 Bridgetown CANA in English 2213 GMT 28 Oct 90

[Text] Georgetown, Guyana, Oct 28, CANA—The European Economic Community (EEC) has accepted a plea of force majeure from Guyana following the Caribbean nation's failure to meet its 1989-90 EEC sugar quota by 13,000 tons, a government spokesman said.

As a result, Guyana's quota of 167,000 tons will not be reduced. It was the second straight year that Guyana successfully pleaded force majeure after adverse weather conditions caused a decline in sugar output. A shortfall in the EEC quota of 35,000 tons was declared last year.

Force majeure refers to a situation in which an unexpected event disrupts the performance of a contract and one party to the contract is excused by the other. Government spokesman Kit Nascimento said the state-owned Guyana Sugar Corporation (Guysuco) was forecasting another shortfall this year—the 1990/1991 quota year which ends June 30 next year.

Guysuco, now being managed by the British firm, Booker Tate, reported on Saturday that its eight factories had produced 4,730 tons of sugar during the last week, bringing production for the current crop to 54,015 tons, and production for the year so far to 110,503 tons. The corporation hopes to produce 105,000 tons of sugar this crop to bring the year's production to just over 160,000 tons.

However, according to Nascimento, with production averaging less than 5,000 tons per week, it seems unlikely that Guysuco will be able to meet its current crop target of 105,000 tons. He said Guyana was importing sugar from Guatemala and Mexico for domestic consumption so as to free up all locally produced sugar for the lucrative EEC market.

Nascimento said "exceptionally high levels of rainfall" earlier this year, followed by the current "long period of exceptionally dry weather" had been adversely affecting the production of sugar, rice, and bauxite.

Hoyte Congratulates Gorbachev on Nobel Prize

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[Text] Georgetown, Guyana, Oct 27, CANA—President Desmond Hoyte of Guyana has cabled Soviet leader Mikhail Gorbachev congratulations on the award of the Nobel Peace Prize.

"We in Guyana have been following with interest your path-breaking initiatives at the international level, to transform in positive ways the relations among nations," Hoyte said.

He continued: "Your efforts have been both timely and welcome, and have struck a responsive chord among the peoples of the world. Your contribution has been outstanding. You have been a tireless and energetic crusader for international peace and security.

"As a direct result of your endeavours, the peoples of the world live today in a new environment of international relations that are increasingly characterised by dialogue, co-operation, and the resort to pacific settlement of conflicts."

Hoyte told the Soviet leader the prospects for genuine disarmament and enduring world peace "are exceedingly good," and the Nobel Peace Prize is "a richly merited recognition of your pivotal role in the peace process."